

A STUDY OF CUSTOMER RELATIONSHIP MANAGEMENT (CRM) PRACTICES IN INDIAN ORGANIZED RETAILING

**Doctoral thesis submitted to University of Hyderabad in partial
fulfillment of the requirement for the award of the degree of the**

**Doctor of Philosophy
in
MANAGEMENT**

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DECLARATION

I hereby declare that the thesis entitled, “**A Study of Customer Relationship Management (CRM) Practices in Indian Organized Retailing**”, being submitted at School of Management Studies, University of Hyderabad, is the result of my own work carried out as a research scholar (Reg. No. 06MBPH05) at School of Management Studies, University of Hyderabad, and that it has not been wholly or in part, been submitted for any other degree. Due acknowledgement for the sources of information referred has been made wherever applicable.

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LIST OF ABBRIVATIONS

CRM	:	Customer Relationship Management
e-CRM	:	Electronic Customer Relationship Management
DV	:	Dependent Variable
IV	:	Independent Variable
DF	:	Degree of Freedom
SPSS	:	Statistical Package for Social Science
CLV	:	Customer Life-time Value
B2B	:	Business to Business
B2C	:	Business to Customer
e-tailing	:	Electronic Retailing
SKUs	:	Stock-Keeping Units
ERP	:	Enterprise Resource Planning
EAS	:	Electronic Article Surveillance
ECR	:	Electronic Customer Response
ECR	:	Efficient Customer Response Systems
ESL	:	Electronic Shelf Labeling
CCTV	:	Closed Circuit Television
ATM's	:	Automated Teller Machine
IT	:	Information Technology
UID	:	Unique Identification Authority of India
CSFs	:	Critical Success Factors
CRPs	:	Customers' Relationship Perceptions.
EDLP	:	Every Day Low Price
WOM	:	Word-of-Mouth
ARPRO	:	Allocating Resources for Profits
CLV	:	Customer Lifetime Value
S-O-R	:	Stimulus-Organism-Response

Note: Brackets () in every table represent Parenthesis value.

PREFACE

The purpose of this thesis is to contemplate Customer Relationship Management (CRM) in organized retailing in India. Companies take on competition in order to keep their customers satisfied whether the targeted group is an individual or an organization. A modus operandi for doing this is Customer Relationship Management (CRM). The focus of CRM is on the relationship between sellers and buyers, which concentrates on creating benefits for both parties and resulting in a long lasting and valuable relationship. The notion behind carrying this study is to create a better understanding on how CRM is used in organized retailing in India. Retailing is one of the important business sectors in India. It generates 10% of country's Gross Domestic Product (GDP) and 8% of employment. Indian retailing industry is two types: Organized and Unorganized. Indian organized retailing sectors have been growing tremendously and effectively contributing towards the country's economy for last two decades. At the same time high competition exists due to globalization and liberalization. Many International players have entered into Indian commercials to attract Indian customers.

Customers need not depend on a single firm/company for their needs. In fact, dynamic competition has resulted in enabling the customer to switch to any organization of his/her choice, the moment he/she is dissatisfied with the products/services of the current organization. One of the key challenges of retailers is how they manage product quality, service, and relationship which hold a great importance to satisfy customer. Thus, managing customer expectations has become a key issue in running a business organization. The ultimate goal of any business organization is related to creating value for the customer through its activities. In order to achieve this goal, organizations need to create meaningful offers, build effective distribution channels, conduct promotional activities and most importantly build profitable relationship with the customers. It is in this context that companies have realized the importance in the late 1990s and early 2000. Companies started focusing on creating and managing good relationships with the existing customers, in contrast to the earlier focus on continuously searching for new prospects and customers.

To achieve loyalty and satisfaction, companies need to produce some evidence of the association between customer relationship marketing strategies like attraction, loyalty programs (Benefits, Offers, Customer satisfaction etc), and the market performance. In order to achieve this, research questions focusing on the process of selecting a supplier and the benefits of strengthening the CRM practices are identified. The proposed hypotheses are tested in the case of organized retailers in India where long-term relationship presents customer and organizations. This research involved collecting data from the select Indian organized retail companies to understand the relationship between customer satisfaction and loyalty programs, market performance of the companies and the market preferences measured by market position, customer perception about the firm and customer's loyalty. This means, loyalty and interaction program are more influential on companies awareness and penetration in the market position. Retailer's personal attention has greater impact on customer's store perception; however benefits of membership card and customer satisfaction are more associated with customers' loyalty.

OUTLINE OF THE THESIS

The first chapter gives an *introduction* of customer relationship management (CRM), classification of CRM and its functions, e-CRM, introduction of retailing, overview of global retailing as well as Indian retailing, its advantages, strategies, e-retailing etc. The chapter concludes with CRM practices in retailing sector in India, this chapter includes the scope and need for the study.

In the second chapter, the study discusses the *review of literature* i.e. definition and benefits of CRM, retailing, consumer behavior, customer relationship management practice in retailing, online retailing transactions etc., by different authors and experts from all over the world. The chapter supports the study theoretically and identifies the research gap.

The third chapter of the thesis deals with the *objectives and methodology* of the study. The selected approach for the research study. Research design for the study is also presented, which includes the method of the study chosen, the nature of the study, data collection and tools & techniques for analysis of data employed.

The fourth chapter discusses the different *customer relationship management strategies* implemented by different retail players in the world as well as in India. This chapter explains CRM practices being implemented by select global retailers like Wal-Mart, Carrefour, Target, Sears and Tesco as well as select Indian retailers like Lifestyle, Pantaloons, Shopper's Stop and Westside. It presents the complete overview of these retail players and their CRM practices.

The fifth chapter focus on the detailed *statistical analysis* of the primary data collected from retailers' information and customer information about the research. It outlines the types of techniques and tests utilized for collecting required data and also to analyze the data collected.

The sixth chapter deals with *different CRM models* practiced by different business organizations. Drawing from the varied models which are given by different authors, the researcher has developed a model for effective implementation of CRM in retailing industry in India. Which is presented as one as.

In the last chapter (seventh) of this thesis, the findings of the study, *observations* & conditions. The study *summarizes* the output of the analysis and enlists suggestions and recommendations. Finally, managerial implications are given, and *suggestions* for further studies are discussed.

References and Bibliography are given at the end of the thesis. A copy of the questionnaires used for conducting research survey among the customers and retailers is attached in the *Annexure*.

CHAPTER -1

INTRODUCTION

1. INTRODUCTION

A customer is the most important visitor on our premises; he is not dependent on us. We are dependent on him. He is not an interruption in our work. He is the purpose of it. He is not an outsider in our business. He is apart of it. We are not doing him a favor by serving him. He is doing us a favor by giving us an opportunity to do so.

– Mahatma Gandhi.

1.1. Relationship Management

The term relationship describes the pattern of interactions and the mutual conditioning of behaviours over time, between a business organization and its customers, its supplier or another organization. Time is the defining feature of a relationship.¹ Relationship mainly focuses with the aim of long-term association between the parties like business to business or business to customer. Basically in business transactions, good relationship has to be there between business organization and customer. Attracting and retaining the customer is the top priority for any business organization. To create this, organization brings quality, customer service and marketing activities into closer alignment and ensures that their combined synergetic potential is realized. Proactive customer business development and building relationship with most important customers are the two key processes of CRM, which leads to superior mutual value creation, both for the customer and for the organization. It improves the business as well.

1.2. Relationship Marketing

The term ‘relationship marketing’ was first used by Berry (1983), who first emphasized the importance of relationship building strategies in retailing and banking. “The process of creating, maintaining and enhancing strong value-laden relationships with customers is known as Relationship Marketing”. It is necessary for any organization that wants to maintain and grow its revenue and profitability from the existing customer base and to attract new customers. Attracting the new customers is treated merely as the first step in relationship marketing process. Relationship marketing over a period of time has transformed into Customer Relationship Management. Relationship marketing would lead to greater marketing productivity by making it more effective and efficient. Building and maintaining relationships have

¹ David Ford, Lars-Erik Gadde, Hakan Hakansson and Ivan Snehota - Managing Business Relationships (2003) 2nd edition

considerable long term implication and have impact on strategic and long-range firms' planning marketing (Sheth and Parvatiyar,).²

Relationship marketing is marketing based on interaction within networks of relationships. Relationship marketing is not just another bag of tricks to capture customers; it offers a wide range of conditions for more efficient management and marketing and also opportunities of enhancing profit. The organization that practices relationship marketing does not merely seek sale. It would like to demonstrate that it has the capabilities to serve the customer in the long run, and develop a mutually profitable relationship. Relationship marketing goes beyond attracting customers and conducting transactions with them. It advocates companies to retain customers and build profitable, long-term relationships with them. In today's world of changing demographics, intense competition in many industries, organizations are fighting with one another for their survival. The costs of attracting new customers are also rising.

1.3. Transaction Marketing

Attracting new customers has become the most important task for the marketing department. This process has resulted in making marketing personnel more interested in attracting new customers without caring for the existing ones, once the transaction (in most of the cases selling goods or services) is over the relationship ends. This phenomenon is termed as transactional marketing, since the focus is mainly on closing the transaction (sale) with the customer. The traditional marketing approach includes the mix of four 'P's i.e. Product, Price, Place, and Promotion. Most of the marketing effort is spent on segmenting, targeting and positioning the products/ services, so that the sales targets are met.

Transactional marketing is 'pre approach' i.e. the sales executives try to learn more about their potential buyers and their buying styles, before making a sales call. It includes handling objections, which involves clarification of any objections raised by the prospective customers. In transactional marketing process, the sales executive follows up the customer after the sale to ensure customer satisfaction and repeat business.

² Atul Parvatiyar and Jagdish N Sheth (2001). Conceptual Framework of Customer Relationship Management. *Customer Relationship Management Emerging Concepts Tools and Applications*,

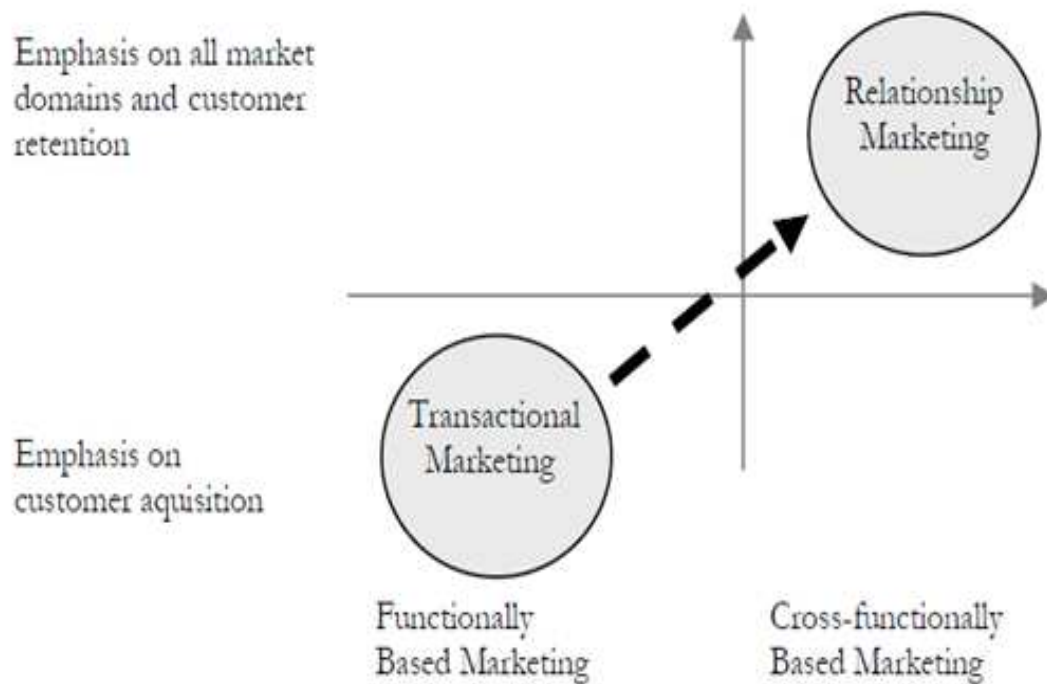


Figure1.1: The transition to relationship marketing
Source: CRM in fashion companies for men wear (Payne, 2006)

1.4. Difference between Transactional Marketing and Relationship Marketing

Transaction Marketing	Relationship Marketing
<ol style="list-style-type: none"> 1. Marketing Mix (4 P's) 2. Focus on completing a sales process 3. Orientation on product features 4. Indirect approach 5. Time scale of customer orientation is relatively short and temporary 6. No emphasis on customer service area 7. Limited customer commitment only 8. Moderate customer contact 	<ol style="list-style-type: none"> 1. Interactive Marketing 2. Focus on customer retention 3. Orientation on product benefits 4. Direct approach 5. Long time scale (permanent) with customer orientation. 6. Customer service is key concern 7. High customer commitment exist 8. High customer contact available

Table1.1: Transaction Marketing vs. Relationship Marketing

1.5. CUSTOMER RELATIONSHIP MANAGEMENT (CRM)

CRM is clearly a business practice focused on customers. CRM is a tool and technology that no organization can do away without that. It is not a new technology, but the way that it can be used in today's environment can be very different. CRM is a comprehensive approach for creating, maintaining and expanding customer relationships. CRM has evolved from the base of many systems, where the functions are initially defined at the department level, and gradually moved up to the enterprise. Customer management processes, supported by the business rules of the operation and technology making comprehensive solutions.



Figure1.2: Model for effective Relationship Marketing
Source: Evans and Lusk (1994) model for effective Relationship Marketing.

Relationship Management is an important process to maintain long-term relationship with customers. To maintain good relationship with customer, organizations have to understand the customer expectations and basing on their expectations the quality and variety services should be offered. To build long-term relationships with customer, effective manpower is required creating satisfaction, loyalty and profitability among customers. To know the customers properly, organization has to collect customer feedback, and personal interaction is also required.

Customer Relationship Management has been the most important part of business and plays a crucial role in the success or failure of modern organizations. Though the concept of CRM is not a new phenomenon in India, it is only during the last few years it has gained recognition as an essential ingredient of the strategic activities of an organization. Major sectors (both public and private) which would be impacted and benefited by CRM, according to experts, they are: banking, insurance and financial services, telecom, transportation, hotel, hospitality services and retail industry. The purpose of CRM is to improve marketing productivity and enhance mutual values by improving marketing efficiency. The CRM is about customers interacting with employees, collaborating with suppliers, and every interaction is an opportunity to maintain and improve relationship.

1.5.1. Definition of CRM

- Customer Relationship Management (CRM) is defined to be a “comprehensive strategy and process of acquiring, retaining and partnering with selective customers to create superior value for the organization and the customer”. (Atul Parvatiyar and Jagadish N Sheth, 2001).
- Greenleaf and Winer (2002) have explained CRM as, "Customer Relationship Management is a business strategy to select and manage customers to optimize long-term value". CRM is a business approach that integrates people, processes, and technology to maximize the relations of an organization with all types of customers.

1.5.2. Benefits of CRM

- Attracting new customers and closing deals faster through quicker and more efficient responses.
- Better customer service through improved responsiveness and understanding.
- Building customer loyalty, satisfaction commitment and also provides greater insight.
- Customer service with technological way.
- Enhancing marketing effectiveness by carefully selecting customers for various programs.

- Help sales staff close deals faster. And make call centers more efficient.
- Improving the revenue through acquisition of new customers, retaining existing customers, and increased share of customer through up-selling, cross-selling, etc.
- Integrating the business processes of the firm around individual customers.
- It helps the organization to easily adjust the level of service to reflect the customer's importance or status.
- Making customers feel important because of the increased personalization of services and customization of goods offered to them.
- Offering better customer service - through improved responsiveness and understanding that builds customer loyalty and decreases customer turn over.
- Provide better customer service and strategic advantage.
- Providing more avenues for customers to communicate and explain their needs to the organization through numerous contact points.
- Reducing the burden of excessive customer acquisition costs.
- Relationships can increase the efficiency of an organization's activities by the activity links between its internal structure and that of important counterparts.
- Simplifying the marketing and sales processes by better understanding customer needs.
- Streamlining order processing and inventory management.

1.5.3. Classification of CRM

CRM is an IT enabled business strategy and a set of business processes and policies that are designed to acquire, retain, and service customers. It includes the customer-touch point business process of marketing, sales, and customer services. CRM technologies (like databases or data warehouses) and software are used to support these processes, storing information on current and prospective customers. Effective CRM is having the ability to determine, maintain or increase customer profitability and its drivers. CRM technology can be divided in to three aspects, Operational CRM, Analytical CRM and Collaborative CRM (Shahanam (2000) and Karimi et al. (2001)).

- *Analytical* – Analytical CRM systems manage and evaluate knowledge on customer for a better understanding of each customer and his or her behaviour. Data warehousing and data mining solutions are typical analytical CRM system.

Customer data may be found in internal sources such as customer purchase or payment history, campaign response, loyalty scheme data, etc.

- ***Operational*** – Operational CRM system improves the efficiency of CRM business processes and comprise solutions for sales force automation, marketing automation, and call center/customer interaction center management.
- ***Collaborative*** – Collaborative CRM systems manage and synchronize customer interaction point and communication channels (ex. telephone, e-mail etc)”.

1.6. Fundamental Characteristics of Customer Relationship Management (CRM)

Most of the customer relationship programs are developed on the basis of certain principles/characteristics, which articulate that it is necessary for organizations to maintain reciprocally beneficial relationships with their customers for the long-term benefits of both the parties.

The basic underlying Characteristics are as follows:

1. Customer Life-time Value(CLV)
2. Customer Satisfaction
3. Customer Loyalty
4. Share of Customer
5. Cross-Selling and Up-Selling
6. Customer Profitability

1.6.1. Customer Life-time Value (CLV)

Customer Life-time value states that the value of the entire stream of purchases that the customer would make over a lifetime of patronage is far higher than the value of a single sale. In view of this fact organizations should seek to establish good relationships with the customers for conducting repeated business with them. Value of the customer for the organization can be understood as the amount by which revenues from a given customer, over time will exceed the organization's costs of attracting, selling and servicing offered to that customer.

A dissatisfactory customer who is moving out of any organization should not be viewed as a sale lost for one time, rather the organization should realize that it is

losing the entire stream of revenues which could have been generated by the customer, if he/she were happy with the products/ services and continued to be a customer. For example, if a customer during a year conducts a business worth one thousand units with a firm, and the average period of his conducting business is estimated to be ten years, then it can be concluded that the value of the business the customer is going to deliver to the firm can be treated as ten thousand units. If the customer is lost at the initial stages then the value of transactions lost is ten thousand units.

1.6.2. Customer Satisfaction

This principle is defined as the extent to which a product's actual performance matches a buyer's expectations. A customer might experience various degrees of satisfaction. If the product's performance falls short of expectations, the customer is dissatisfied. If the performance matches the expectations, the customer is satisfied. If the performance exceeds expectations, the customer is highly satisfied or delighted. Therefore it is very important to ensure that the marketing and communications programs along with the offerings match the expectations of the customers.

1.6.3. Customer Loyalty

Customer Loyalty states that highly satisfied customers produce several benefits to the organization. They are not price sensitive, spread good word-of-mouth and remain loyal to the organization's products and services for a longer period. It takes a lot of effort and time to make a customer loyal to the firm's products and services. A consistent effort in delivering products and services to the expectations of the customers is the key to make the customers loyal. Once a customer becomes loyal to the organization's products and services, he feels an affinity to the organization and it becomes difficult to defect to competitors' products.

1.6.4. Share of Customer

Share of customer defines that if any organization goes beyond the idea of attracting and retaining good customers, it can capture a greater share of the customer's purchasing in their product/service categories, either by becoming the sole supplier of the products, the customer is currently buying or by motivating the customer to purchase additional organization products.

1.6.5. Cross-Selling and Up-Selling

In retail business Cross-selling and Up-selling are effective business strategies by retailers. Cross-selling means getting more business from the current customers of one product or service by selling them the additional offerings. This business involves selling a product to a customer as a result of another purchase. The organization understands the relationship between products and knows which product might lead to another purchase (Dyche, 2002). For example a banking organization would like to offer additional services like insurance or vehicle/education loans apart from regular banking services like savings and deposit schemes.

Thus it can cross-sell other products to the customers. Encouraging a customer to purchase products that are higher in value and more profitable is treated as up selling. Fuel retail outlets offering products like lubricants apart from the regular fuel could be considered as an example of Up-selling.

1.6.6. Customer Profitability

Customer Profitability states that while implementing a relationship program it is not wise to maintain similar relationships of high value with all the customers. The principle advocates attracting, keeping and maintaining profitable customers. In fact relationship is based on the value offered by the customer to the organization and the value created by the organization to the customer.

1.7. Electronic Customer Relationship Management (e-CRM)

CRM strategy uses Internet as a tool. Internet is a great medium that is different from some other forms of media like news paper, television, and radio because this is an interactive medium. There is a two-way communication possible through this medium. It can provide personalized service in the new e-economy as against personalized service in the traditional economy. e-CRM is a very dynamic strategy because most importantly it is a communication channel, a data warehouse, an information processor and an analysis tool. Therefore, CRM strategy implemented via a well designed website can tremendously benefit both the customer and the business. It is integration between the traditional CRM and e-business application.

Electronic commerce (E-Commerce) relies on customer interactions via a computer and telecommunications infrastructure for the purpose of advertising, promoting, and selling products and services online. Electronic commerce replicates most of the physical activities that take place in the marketplace, to the point where increasing use of electronic commerce is shifting companies to new market spaces. e-CRM is being deployed in the consumer-oriented (B2C) and in the business-to-business (B2B) commerce. e-CRM is not just customer service, self-service web applications, sales force automation tools or the analysis of customers' purchasing behaviour on the internet. e-CRM is all of these initiatives working together to enable an organization to respond more effectively to its customers' needs and to market to them on a one-to-one basis. According to industry research, it is 10 times more expensive to pursue new customers than to sell to existing ones.

1.7.1. E-CRM Advantage

- Management of information and data becomes easy.
- Greater reach is possible and fastest communication is possible.
- Analysis, comparisons can be done to select the most competitive. Cost effective communication and service provision is possible.
- Can be used at one's own leisure time, and is also accessible from any place where there is internet connectivity.
- Functional for 24 hours of the day. It can be accessed individually by passwords and pin numbers that provide individual security.
- Captures and reuses past experiences.
- Focus on customers across organization and linking employees with customers.
- Lower cost of service as servicing a customer online costs less because all functional areas of servicing a customer (sales, marketing and services).
- e-CRM allows organizations to profitable consumer profiles for new customer acquisition.
- e-CRM is an essential tool for any organization's high performance and depends on worker's effectiveness more than their efficiency.

1.8. RETAILING INDUSTRY

Retailing is one of the world's largest industries; it is becoming consistently more important in economic terms. This becomes evident when looking at the development of many individual countries in Europe, America and Asia. In highly developed countries, retailing is assuming more of a leadership role in the distribution channel. The expansion strategies, retail branding strategies, innovative solutions for supply chain management etc., all reflect this trend. In developing countries, such as in Central and Eastern Europe, as well as in emerging countries, such as China and India, fundamental changes in retailing structures become apparent and may lead to comparable developments. It is a permanent state of change, and the pace of this change has been accelerating over the last decade. From the marketing perspective, retailers are, by definition, closer to the consumer than manufacturing companies.³ Retailers represent the culmination of the marketing process and the contact point between consumers and manufactured products.

Retail marketing consistently features more efficient, more meaningful and more profitable marketing practices.⁴ Retailing involves those organizations that are engaged primarily in the activity of purchasing products from other organizations with the intent to resell those goods to the final customer. Retailing is the last link in the chain of production, which begins at the extractive stages, moves through manufacturing, and ends in the distribution of goods and services to the final customer. Traditionally, it has been considered the easiest business that everyone can perform it from anywhere. Retailing is the last stage in the distribution process, which comprises all of the business and people involved in the physical movement and transfer of ownership of goods and services from producer to consumer. The retailer bridges the gap between manufactures and final consumers.

Retailing companies that were formerly characterized by a local or national orientation are increasingly developing into global players with worldwide operations. Basically retail industry is divided into organized and unorganized sectors. Organized retailing refers to trading activities undertaken by licensed retailers, that is, those who are registered for sales tax, income tax, etc. These include the corporate-backed

³ Reymolds 2004b,p.3

⁴ Mulhern 1997, p.103

hypermarkets and retail chains, and also the privately owned large retail businesses. Generally organized retailing outlets are located in the main center of towns/cities occupied with large space. Examples Wal-Mart, Carrefour Group, Target, JC Penny, Pantaloon, Shopper's Stop, Lifestyle, Westside, Reliance Mart, Big Bazaar, Spencer's etc. Unorganized retailing, on the other hand, refers to the traditional formats of low-cost retailing and family run business from the house, example, the local *kirana shops*, owner manned general stores, book stores, telephone booths, paan/*beedi* shops, convenience stores, hand cart, pavement vendors, etc.

Unorganized retailing is by far the prevalent form of trade in India constituting 95% of total trade in retail business. Generally there is a difference between organized and unorganized retailing business. Organized retailing is “feel of touch” where customers can hold the product and feel how the product looks. So in organized sector the launch of a new product is also a success as the customers touch the product and if they are convinced they will go for a trial. Whereas in case of unorganized retailing business the customers don't have the chance to hold the product and glance it. So they go with the old and regular products without any trial kind.

1.8.1. Definition of Retail: The word ‘retail’ is derived from the French word *retailer*, meaning ‘*to cut a piece off*’ or ‘*to break bulk*’.

- *David Gilbert has defined retail as “any business that directs its marketing efforts towards satisfying the final consumer based upon the organization of selling goods and services as a means of distribution”.*

1.8.2. Definition of Retailer: “A retailer or retail store is any business enterprise whose sales volume comes primarily from retailing”.

- “A retailer is a person, agent, agency, organization, or organization which is instrumental in reaching the goods, merchandise, or services to the ultimate consumer”. (*Barry Berman and Joel R. Evans (2005) “Retailing Management – A Strategic approach”*).

1.8.3. Definition of Retailing

- “Retailing consists of all activities involved in the marketing of goods and services directly to customers for their personal, family or household use”. (*Barry Berman and Joel R. Evans (2005) “Retailing Management – A Strategic approach”*).
- “Retailing is the set of business activities which adds value to the products and services sold to consumers for the personal or family use.” (*Michael Levy, Barton A. Weitz, (2003)*).
- “Retailing includes all the activities involved in selling goods or services directly to final consumers for personal, non business use.” (*Philip Kotler, Kevin Lane, (2006), Marketing Management*).

1.8.4. Definition of Retail Marketing

- *Retail market can be said* “a place where a group of consumers with similar needs (or a market segment) and a group of retailers meet using a similar retail format to satisfy those consumer needs”.

1.9. CURRENT RETAIL SCENARIO: AN OVERVIEW

1.9.1. International retail industry

Retailing is the one of major industries; it has played a major role universally in increasing productivity across a wide range of consumer goods and services. The impact can be best seen in countries like USA, UK, Thailand, Mexico, China, India etc. Economies of countries like Singapore, Malaysia, Hong Kong, Sri Lanka and Dubai are also heavily assisted by the retail sector. Retail is the second-largest industry in the United States both in number of establishments and number of employees. It is also one of the largest worldwide industries. Among developed countries, the UK continues to lead the world as the most international retail market. Europe maintains its ability to attract the world’s top retailers in 2009, with 58% of the world’s top 250 retailers having a presence in Europe. The UK outperformed other major European economies such as Spain, France, Germany and Italy, ranking first among the top 15 most international retail markets.

European retailers are more prone to globalization than American retailers because they face restrictions on development in their home markets. In France, due to regulations, hypermarkets cannot open new stores in their home market easily. Consequently, they principally seek growth in other markets. This is why the lion's share of global retailers is based in Europe.

The world top 20 retailers list is given in the below table. Wal-Mart the US based retailer is number one in the retail industry ahead of Carrefour Group (Germany). In major markets such as the US and the UK, retail spending is expected to decline, while emerging markets such as China and India should have strong growth in 2010. There are signs of improvement for US consumers, but the recent destruction of wealth is expected to limit consumer spending. Asia is believed to represent the best growth prospects for retailers and consumer-product companies in 2010.⁵

S.No	Retailer	Base	Type	Sales in U.S \$ millions	Region
1	Wal-Mart Stores, Inc	USA	Discount Store	163,532.00	N.America
2	Carrefour Group	FRA	Hypermarkets	52,196.10	Europe
3	The Kroger Co	USA	Supermarkets	45,352.00	N.America
4	Metro AG	GER	Diversified	44,163.37	Europe
5	The Home Depot, Inc	USA	Hardlines	38,434.00	N.America
6	Albertson's, Inc	USA	Supermarkets	37,478.00	N.America
7	ITM Enterprises SA	FRA	Supermarkets	36,762.45	Europe
8	Sears, Roebuck and Co	USA	Dept Store	36,728.00	N.America
9	Kmart Corporation	USA	Discount Store	35,925.00	N.America
10	Target Corporation	USA	Discount Store	33,702.00	N.America
11	JC Penney	USA	Dept Store	31,503.50	N.America
12	Royal Ahold	NET	Supermarkets	31,222.15	Europe
13	Safeway Inc	USA	Supermarkets	30,801.80	N.America
14	Rewe-Gruppe	GER	Supermarkets	30,567.69	Europe
15	Tesco plc	UK	Supermarkets	30,404.40	Europe
16	Ito-Yokado Co, Ltd	JPN	Gen.Merch	30,237.57	Asia
17	Edeka-Gruppe	GER	Diversified	30,002.57	Europe
18	Costco Companies, Inc	USA	Warehouse	26,976.45	N.America
19	Tengelmann Warenh..	GER	Supermarkets	26,509.12	Europe
20	The Daiei, Inc	JPN	Diversified	26,486.11	Asia

Table 1.2: 2010 World Top 20 Retail Players,
Source: <http://www.worldb2blink.com/worldtop100retailers.htm>

⁵ An IMAP retail report, Retail industry Global report -2010

1.9.1.1. Expansion opportunities for Global Retailers in 2010

According to Global Retail Development Index (GRDI), annual survey conducted by A.T. Kearney, Middle East and North Africa are the most attractive regions for expansion of retailing. In Asia-Pacific region, China and India ranked the top 2 positions, however offer major opportunities for retailers.

Country	2010 rank	2009 rank	Country	2010 rank	2009 rank
China	1	3	Tunisia	11	14
Kuwait	2	NA	Albania	12	NA
India	3	1	Egypt	13	NA
Saudi Arabia	4	5	Vietnam	14	15
Brazil	5	8	Morocco	15	19
Chile	6	7	Indonesia	16	22
U A E	7	4	Malaysia	17	10
Uruguay	8	NA	Turkey	18	20
Peru	9	18	Bulgaria	19	21
Russia	10	2	Macedonia	20	NA

Table 1.3: Global Retail Development Index: Top 20 markets in 2010

Source: A.T. Kearney (NA- Not Available)

1.9.1.2. E-RETAILING/ONLINE RETAILING

The e-Retailing or e-Tailing or Online Retailing is the concept of selling of retail goods using electronic media, in particular, the internet. It is synonym for Business-to-Consumer (B2C) transaction model of e-Commerce. The e-retailing has resulted in the development of e-tail ware – the software tools for creating online catalogs and managing the business connected with implementing the e-Retailing.⁶

B2C rather than *B2B*. Some e-marketing activities that do not directly involve transactions, such as providing (free) information or promoting brands and image, are considered to be part of B2C but are not normally considered as being within the scope of e-retail. Thus an e-Retailing is a B2C (Business to Consumer) business model that executes a transaction between businessman and the final consumer. E-Retailers can be pure businesses like Amazone.com. Retailing is no doubt, a technology intensive industry.

⁶ Charles Dennis, Tino Fenech and Bill Merrilees (2004), "E- Retailing",

1.9.1.2.1. Definition of e-Retailing: The business of *e-retail* has been defined as the sale of goods and services via Internet or other electronic channels, for personal or household use by consumers (*Harris and Dennis, 2002*).

1.9.1.3. Advantages of e-Retailing:

- Size and Location is not matter.
- The Internet has global reach and provides the opportunity to trade internationally.
- Ability to trade 24/7 and operate with lower overheads in terms of staff and space.
- Reaches a larger audience.
- Higher disposable income profile than average
- More opportunities for CRM, micro-marketing, cross- and up-selling.
- Sheer convenience to shop.
- Wider choice of products and better value.
- Unique gifting opportunity avail.
- Saves money, time and strain.
- Micro targeting of products.
- Mass personalization.
- Know customer preferences effectively.
- Integrated source of information.

1.9.1.4. Global Scenario of Online retailing

Electronics is the largest segment in global online retail sales, contributing around 22.6 percent. The US is the biggest market for online retail sales with 37.2 percent market share, whose total retail e-commerce spending reached 129.8 billion USD in 2009⁷. A high level of product differentiation together with low fixed costs and dynamic market revenue growth is seen in the US market. However, it also creates rivalry in the market as a large number of players are active along with the absence of consumer switching costs.

⁷ An IMAP retail report, Retail industry Global report -2010

Region	2009	2010	2012E
North America	259	266	292
Europe	415	475	500
Asia Pacific	645	846	1033
Latin America and Caribbean	178	204	255
Middle East and Africa	135	173	241
Total	1,632	1,964	2,321

Table 1.4: Global Online Population

Source: IMAP retail report, Retail industry Global report -2010

Online retail sales still account for only 2.5 percent of total retail sales on a global basis. On an average, online sales account for 6.6 per cent of total sales for the top 100 retailers in the world. Hence, most retailers have yet to make a strong online push through multi-channel retailing. By 2014, global online retail sales are expected to be 778.6 billion USD¹¹, increasing at a CAGR of 22.2 percent. To sustain this level of sales, internet penetration in North America, Europe and Asia- Pacific is expected to increase by 10.6 percent, 7.6 percent and 12.7 percent on a y-o-y basis respectively. (An IMAP retail report, Retail industry Global report -2010).

	2005	2006	2007	2008	2009
Retail Sales (USD Billion)	11,000	11,900	13,200	14,500	13,900
Retail Growth Rate	-	7.2%	10.9%	9.8%	-4.1%
Online Sales (USD Billion)	181	222	271	304	349
Online Growth Rate	-	22.7%	22.1%	12.4%	14.5%

Table 1.5: Global Retail Sales

Source: IMAP retail report, Retail industry Global report -2010

1.9.2. INDIAN RETAIL INDUSTRY

Indian retail industry is the fifth largest in the world. Comprising organized and unorganized sectors, Indian retail industry is one of the fastest growing industries in India, especially over the last few years. According to IBEF (Indian Brand Equity Foundation), April 2010 report, India's retail market, valued at US\$ 350 billion in 2008–09, is projected to grow at 13 per cent per annum. The country's retail sector is the second-largest employer after agriculture, contributing 10% GDP with retail trade employing 35.06 million and wholesale trade generating an additional employment of

5.48 million.⁸ Food is the largest segment in terms of its contribution to the total value of the retail market, followed by fashion and fashion accessories.



Figure 1.3: Indian Retail Market

Source: IBEF (Indian Brand Equity Foundation), April 2010 report

Traditionally it is a family's livelihood, with their shop in the front and house at the back, while they run the retail business. Indian retailing is highly fragmented and consists predominantly of small, independent, and owners-managed shops. Indian retail industry is one of the fastest growing industries. By the turn of the 20th century, the face of the Indian industry has changed significantly. This industry, which, until the early 1990s, was dominated by the unorganized sector, witnessed a rapid growth in the organized sector with the entry of corporate sector such as Tata group, Future group, K Raheja group, RPG group, ITC etc into the retailing market. While the supermarket and departmental chains replaced traditional grocery and general store formats, introduction of fast foods (McDonalds), packaged foods (MTR) beverage parlors (Nescafe, Tata Tea, Barista) brought about significant changes in the eating habits of Indian consumers.

According to McKinsey report, 'The rise of Indian Consumer Market', estimates that the Indian consumer market is likely to grow four times by 2025. India continues to be among the most attractive countries for global retailers. Foreign direct investment (FDI) inflows as on Sept 2009, in single-brand retail trading, stood at approximately

⁸ IBEF (Indian Brand Equity Foundation), April 2010 report

US\$ 47.43 million, according to the Department of Industrial Policy and Promotion (DIPP). India's overall retail sector is expected to rise to US\$ 833 billion by 2013 and to US\$ 1.3 trillion by 2018, at a compound annual growth rate (CAGR) of 10 per cent. As a democratic country with high growth rates, consumer spending has risen sharply as the youth population (more than 33 percent of the country is below the age of 18) has seen a significant increase in its disposable income. Consumer spending rose an impressive 75 per cent in the past four years alone. Also, organized retail, which is pegged at around US\$ 8.14 billion, is expected to grow at a CAGR of 40 per cent to touch US\$ 107 billion by 2013. According to the BMI India Retail Report forecasts that total retail sales will grow from an estimated US\$427bn in 2009 to US\$798bn by 2014.⁹ Strong underlying economic growth, population expansion, the increasing wealth of individuals and the rapid construction of organized retail infrastructure are key factors behind the forecast growth. By this, we mean the Western concept of chain outlets, department stores, supermarkets, etc. According to Investment Commission of India (ICI) data, this segment accounted for US\$12.10bn of sales in 2006, 4.6% of the total retail segment. BMI forecasts that organized retail sales will reach US\$99.09bn by 2014, 12.4% of the total.

1.9.2.1. Evaluation of Indian retailing:

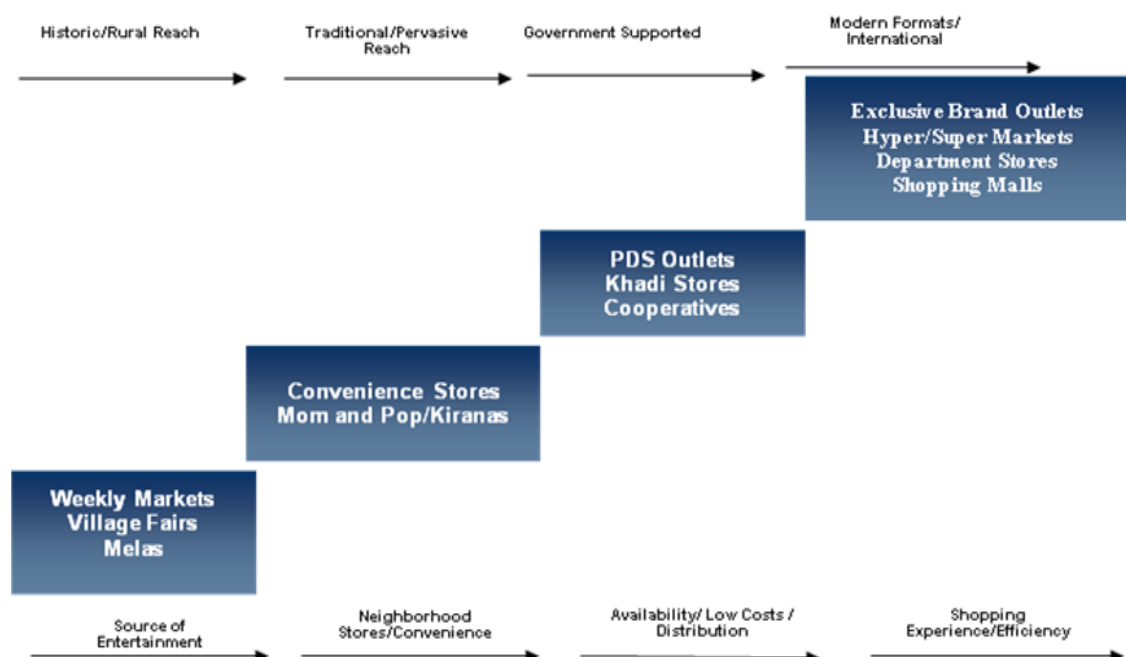


Figure 1.4: Evaluation of Indian Retailing

⁹ BMI India Retail Report Q1 2010

In Ancient India there was a concept of weekly HAAT, where all the buyers & sellers gather in a big market for bartering. Convenience stores and mom & pop/kirana shops second level of evaluation of Indian retailing. Consumers buy the products from their neighbourhood shops. Third stage POS model of shops has entered in the market.

1.9.2.2. Types of Indian Retailing

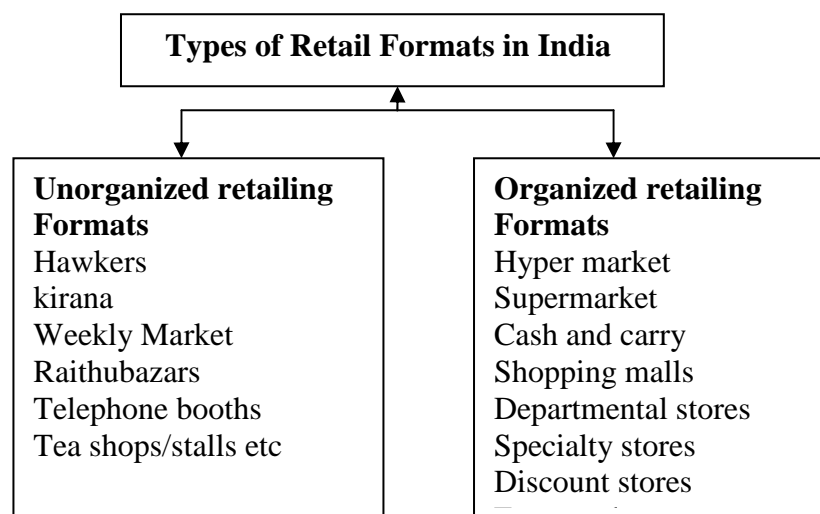


Figure 1.5: Types of Retail format in India

1.9.2.3. Unorganized retailing in India

Indian retail is dominated by a large number of small retailers (Unorganized) consisting of the local *kirana* shops, owner-manned general stores, chemists, footwear shops, apparel shops *paan and beedi* shops, hand-cart hawkers, pavement vendors, etc. which together make up the so-called “unorganized retail” or traditional retail. The sampled traditional retail shops had an average size of 217 sq. ft. including the storage area, with textiles and clothing shops having a higher average size of 256 sq. ft. and fixed fruit and vegetable shops an average size of 129 sq. ft. The grocery and general stores have an average size of 216 sq. ft. The sampled unorganized retail shops employ more family labour than hired labour on an average they employ 1.5 persons per shop from the family, and hired employees of 1.1 persons (icrier report 2008).

1.9.2.4. Indian Organized Retailing

India is at an early stage of evolution in organized retail, with its current penetration being 5 percent, which indicates a huge potential for growth. The share of organized retail in total Indian retail trade is projected to grow at 40 percent per annum. Organized retail formats including departmental stores, hypermarkets, supermarkets and specialty stores are fast replacing traditional retail formats such as stores (small 'mom-and-pop' general stores) due to rising consumer expectations.

Organized retail penetration level (in per cent)	
USA	85
France	80
Japan	66
Malaysia	55
Brazil	36
Russia	33
China	20
India	5

Figure 1.6: Organized retail penetration level

Sources: The retailer, Ernst & Young, January 2009.

The market is witnessing a migration from traditional retailing to modern/organized retailing formats, with an explosive proliferation of malls and branded outlet.

- Modern retailing outlets in India are increasingly becoming global in standards and are witnessing intense competition.
- As per estimates by Crisil report, the organized retail market in India is projected to grow to US\$ 23 billion in 2009–10. The organized retail segment is expected to grow from 5 per cent to about 7 to 8 per cent by 2012–13.
- Number of shopping malls is expected to increase at a CAGR of more than 18.9 per cent from 2007 to 2015.

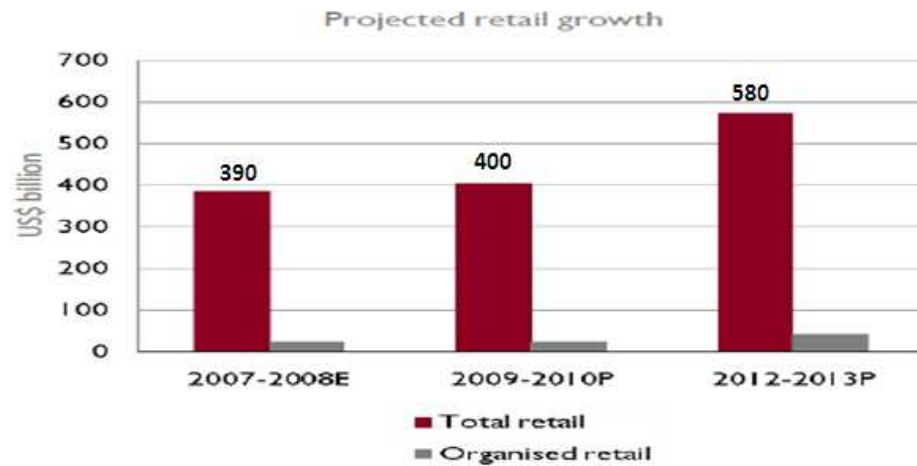


Figure 1.7: Retail projected growth

Source: IBEF (Indian Brand Equity Foundation), April 2010 report

1.9.2.5. Retail Formats in India

Format Type	Description	Example of Shop/Center
Shopping Plaza	<ul style="list-style-type: none"> Configuration of many tenants using space of 1,00 sq.ft. All stores are in single building 	Fountain Plaza (Chennai) Modi Arcade Plaza (Bangalore)
Shopping Mall	<ul style="list-style-type: none"> Arrangement of retail stores and providing right mix of shopping. Available all kind of items like food court, entertainment, accessories, appliances, clothing, office equipment and stationery. 	The Forum, Central, Sigma.
Hypermarkets	<ul style="list-style-type: none"> Average size varies between 50,000 sq ft and 100,000 sq ft Offer a large basket of products ranging from grocery, fresh and processed food, beauty and household products, clothing and appliances. 	Spencer's, Gaint Big Bazaar, etc.
Cash-and-carry	<ul style="list-style-type: none"> Average size —75,000 sq ft Offer several thousand stock-keeping units (SKUs) and generally have bulk buying requirements. 	Metro, Bharti-Wal-Mart, etc.

Department stores	<ul style="list-style-type: none"> • Average size varying between 10,000 sq ft and 60,000 sq ft • Offer a large layout with a wide merchandise mix, usually in cohesive categories including fashion accessories, gifts and products for the home. 	Shoppers Stop, Lifestyle, etc.
Supermarkets	<ul style="list-style-type: none"> • Large in size and typical in layout • Offer not only household products but also food and grocery as an integral part of their services. 	Apna Bazaar, Food Bazaar, etc.
Shop-in-Shop	<ul style="list-style-type: none"> • Shops located within the premises of large shopping malls in major cities. 	Infinity (Magma Group)
Specialty stores	<ul style="list-style-type: none"> • Single-category stores • Focus on individuals and group clusters of the same class, with high product loyalty. 	Brand Factory, Food Bazaar, Raymond's etc.
Category killers	<ul style="list-style-type: none"> • Average size —8,000 sq ft • Large specialty retailers focusing on a particular segment, who are able to provide a wide range of choice to consumers, usually at affordable prices, due to the scale they achieve 	The Loft (footwear mall), Central (readymade garments mall).
Discount stores	<ul style="list-style-type: none"> • Average size —1,000 sq ft • Offer wide range of products, mostly branded, at discounted prices. 	Subhiksha, Levi's factory shop, etc.
Convenience stores	<ul style="list-style-type: none"> • Average size —800 sq ft • Relatively small retail stores located near residential areas 	In & Out, Safal, etc.
Kiosk	<ul style="list-style-type: none"> • It is placed within a mall/shopping centre, a bus station, airport etc 	Mobile kiosks
Factory shops	<ul style="list-style-type: none"> • Owned and operated by the manufacturers who sell discounted merchandise. 	Bata, Peter England etc.

Table 1.6: Retail formats in India

Source: Working Paper No 222, Impact of Organized Retailing on the Unorganized Sector, ICRIER

1.9.2.6. Major retailers in Indian market

Player	Store brand (Products)
Tata Group	Landmark (books and music), Croma (multi-brand electronics), World of Titan (watches), Tanishq (jewellery), Titan Eye+ (eye wear), Westside (lifestyle retail store), Star Bazaar (hypermarket chain), Fashion Yatra (family fashion store).
Future Group	Central (shopping mall), Big Bazaar (hypermarket), Pantaloons (fashion shop), Blue Sky (sunglasses), Brand Factory (multi-brand readymade garment), KB's Fair Price (essential products), Navaras (jewellery), Planet Store (multi-brand sports and lifestyle speciality retail), aLL (fashion garments), Ethnicity (Indian ethnic wear), Home Town (home needs), eZone (electronics), Furniture Bazaar (home furniture), Electronics Bazaar (under Big Bazaar, electronics stores), Home Bazaar (satellite version of Home Town), Collection I (lifestyle furniture), Gen M & One Mobile (mobile phones), M-Port (electronics), Shoe Factory (footwear) and Depot (books and music)
Reliance Group	Reliance Fresh (neighborhood store), Reliance Mart (supermarket), Reliance Super (mini-mart), Reliance Digital (consumer durables and information technology), Reliance Trends (apparel and accessories), Reliance Wellness (health, wellness and beauty), iStore (Apple products), Reliance Footprint (footwear), Reliance Jewels (jewellery), Reliance TimeOut (books, music and entertainment), Reliance AutoZone (automotive products and services) and Reliance Living (home ware, furniture, modular kitchens and furnishings)
RPG group	Spencers (multi-format retail store), Music World (music and home video store) and Books & Beyond (book store)
K Raheja Group	Shopper's Stop (clothing, accessories, fragrances, cosmetics, footwear and home furnishing store), Crossword (book store), Inorbit Mall (fashion, lifestyle, food and entertainment) and Hyper City (hypermarket)

Landmark Group	Lifestyle (garments and accessories), Home Centre (household and furniture, garment and retail), Splash (high street fashion brand) and Fun city (family entertainment brands)
Bharati Group	Field Fresh (fresh and processed fruits and vegetables — multiple-format store)
Mahindra Group	Mom and Me (infant and maternity care)
AdityaBirla Group	More (supermarket and hypermarket formats, earlier known as “Trinethra”)
Vishal Retail	Vishal Mega Mart (multiproduct stores)

Table 1.7: Major retailers in Indian market

Source: IBEF (Indian Brand Equity Foundation), April 2010 report

1.9.2.7. Classification/Segmentation of Indian retail sector

The Indian retail sector can be broadly classified into:

1.9.2.7.1. Food and Grocery

Food as a sector has been defined to comprise food and grocery and the food and beverage sector which would include catering services and restaurants, fast food centers etc. Indian food and grocery sector can be divided into fresh groceries, branded packaged foods, personal hygiene products and toiletries etc. There are large number and variety of retailers in the food-retailing sector. Ex: Big Bazaar, Food Bazaar, Spencer etc.

1.9.2.7.2. Health & Beauty Products

With growth in income levels, Indians have started spending more on health and beauty products. Here also small, single-shop retailers dominate the market. However in recent years, a few retail chains specializing in these products have come into the market. Although these retail chains account for only a small share of the total market, their business is expected to grow significantly in the future due to the growing quality consciousness of buyers for these products. Ex: Star, Sitara etc.

1.9.2.7.3. Clothing, Textile & Footwear

Clothing and textiles would include the fabric manufacturers and clothing would be understood as readymade garments. Numerous clothing and footwear shops in

shopping centers and markets operate all over India. Traditional shops stock a limited range of cheap and popular items; in contrast, modern clothing and footwear stores have modern products and attractive displays to lure customers. However, with rapid urbanization, and changing patterns of consumer tastes and preferences, it is unlikely that the traditional shops will survive the test of time. Ex: Lifestyle, Pantaloons, Shoppers Stop, Westside, Woodlands etc.

1.9.2.7.4. Home Furniture & Household Goods

Small retailers again dominate this sector. Despite the large size of this market, very few large and modern retailers have established specialized stores for these products. However there is considerable potential for the entry or expansion of specialized retail chains in the country. Ex: Hometown, Furniture Bazaar etc.

1.9.2.7.5. Consumer Durable Goods

The Indian consumer durable market in India has seen a proliferation, of brands and product categories in recent years. Consumer durable goods sector has seen the entry of a large number of foreign companies during the post liberalization period. A greater variety of consumer electronic items and household appliances became available to the Indian customer. Intense competition among companies to sell their brands provided a strong impetus to the growth for retailers doing business in this sector. Ex: Godrej, LG, Panasonic etc.

1.9.2.7.6. Leisure & Personal Goods

Increasing household incomes due to better economic opportunities have encouraged consumer expenditure on leisure and personal goods in the country. There are specialized retailers for each category of products (books, music products, etc.) in this sector. Another prominent feature of this sector is popularity of franchising agreements between established manufacturers and retailers. Ex: Music world, Cross World, Home care etc.

1.9.2.8. Characteristics of Retailing

Retailing is an essential sector; it can be distinguished in various ways from other businesses such as manufacturing and production. Retailing differs from manufacturing in the following ways.

- Direct interaction with end-user or final customer of goods or services.
- Unique value chain to provide a platform for promotional activates.
- Business sales transactions at the retail level are generally in smaller unit sizes. Many consumers buy products in small quantities for household consumption.
- Service is an essential concept especially for core products in retail business.
- Location is a critical factor in retail business process.
- Its maximize the business size and profit
- Large number of retail business units compared to other member of the value chain to meet the requirement of geographical coverage and population density.
- Point-of-purchase merchandise, store layout and catalogues become important.

1.9.2.9. Advantages of Retailing

- Creating a single world market.
- Consolidation and Globalization.
- Competitive advantage.
- Deeper understanding of consumer behaviour.
- Value propositions and supply chain issues.
- An easier access to variety of products.
- Freedom of choice and Higher levels of customers to serve.
- Technology revolution.

1.10. CONSUMER BEHAVIOUR IN RETAILING BUSINESS

Consumer behaviour is broadly the study of individuals, or organizations and the processes consumers use to search, select and dispose it products & services. It is about how consumers make decisions to use their respective resources such as time, money, and effort for buying, using, and disposing goods and services. In the retailing context marketers are required to understand customers' shopping behaviour, which includes decision variables regarding, brand selection, shopping timing, and choice of retail format and stores etc.

1.10.1. Definition of Consumer Behaviour: *Belch and Belch* define consumer behaviour as “the process and activities people engage in when searching for,

selection, purchasing, using, evaluating and disposing of products and services so as to satisfy their needs and desires”.

1.10.2. Consumer Behaviour Factors:

Consumer shopping behaviour is affected by some factors which are demographic, psychological, environmental or related to the lifestyle of the customer. These factors are important for the retailers to identify the various stages in the consumer decision-making process. Consumer buying behaviour depends on the different factors like behaviour, value, perception, nationality, religious group, geographical area, linguistic group, family, age, life style, occupation, economic position, circumstances, motivation, beliefs, attitude and need. These all can be divided into four levels.

a). Demographical Factors – Demographical factors are important for every individual. They are objective, quantifiable, and easily identifiable population data such as sex, income, age, gender, marital status, etc. consumer takes decision based on the demographical factor. Depends on the age, gender, income consumer’s choice of the outlet or products selection is varied.

b). Psychological Factors – Psychological factors refer to the intrinsic or inner aspects of the individual. It is very important aspect to understand the customer interest towards the shopping choice. Consumer respond differently towards the same retail marketing mix due to his respective motives, personality, perception, learning level of involvement and attitude.

c). Environmental Factors – It covers all the physical and social characteristics of a consumer’s external world, including physical objects (goods and shops), spatial relationships (location of the shopping center and merchandise in stores), and the social factors (opinion leaders, the person’s family, co-customers, reference groups, social class, and culture). It also influences the consumers want, learning motives, etc which in turn influence affective and cognitive responses and, among other things, the shopping behaviour of the individual. Social class, culture and sub-culture influence the nature of retail buying choice.

d). Lifestyle- of customer is basically individualized. How he/she lives based on the activities, interests, and opinions. Lifestyle is considered to be highly correlated with consumer's values and personality. Personnel lifestyle is influenced by, among other things, the social group he belongs to and his occupation.

1.11. FACTORS OF CONSUMER RETAIL SHOPPER

1.11.1. Range of Merchandise products – Range and availability of merchandise is very important aspect to customers to patronize a particular outlet. Product quality, infrastructure facilities and service level of the products make the customers loyal and influence the customer retention. The range of merchandise offered plays an important role in case of categories like durables, books, music, apparel and other lifestyle products.

1.11.2. Convenience of Shopping at a particular shop – Customers prefer convenient shopping shop. Usually, these are located nearer to customer houses. It is convenient and also reduces the cost and time of customers. Especially, customers who need medicine, grocery and vegetable products prefer only convenient shops.

1.11.3. Time to Travel – Traveling is an essential concept in present busy jungle cities. Particularly if you see the cities like Mumbai, Delhi, Bangalore, Hyderabad etc traveling from one place to another is very difficult. So, consumer tries to visit the nearest shop to avoid the traffic problem. It results in developing many local areas in terms of shopping to facilitate buying.

1.11.4. Socio economic factors – this is the fundamental factor of customer buying decision. The socio-economic background of the consumer largely determines his lifestyle. Consumer buying behaviour influences the kind of store that he/she may be comfortable shopping in. It varies from market to market influenced by culture of the region.

1.11.5. The stage of the family life cycle¹⁰ – customer family background, tradition, culture also influences the product buying behaviour. The level of family life cycle that the customer belongs to, also largely influences his needs. Position and status of the customer is always an identical factor while choosing a shop.

¹⁰ Swapna Pradan- Retailing Management, Text & Cases (2009) 3rd edition

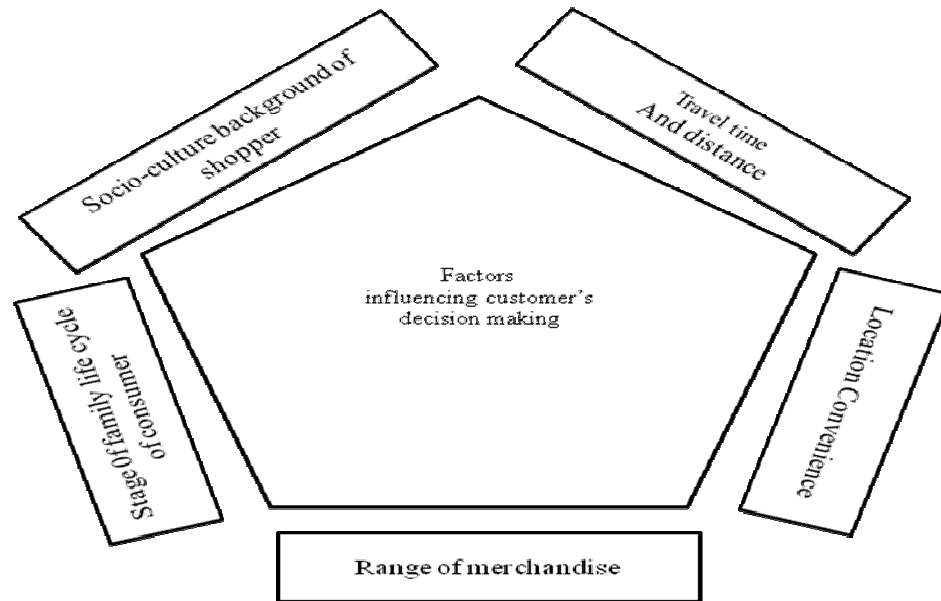


Figure 1.8: Factors influencing the customer's decision-making process

Apart from all these, consumer expects special benefits from the outlet like offers, discounts, special gifts, vouchers etc. All these are very essential in present competitive business environment. All these things influence the customer to chose the outlet and become loyal customer.

1.12. CRM IN RETAILING INDUSTY

Retailers face a dynamic and competitive retail environment. With increased globalization, market saturation, and increased competitiveness through mergers and acquisitions, retailers are seeking competitive advantages by better managing customer relations. Retailers are implementing many strategies to attract and retain the customer.

Generally, retailers try to improve their business by providing quality products at reasonable price, good interaction, location of the stores, infrastructure facilities, promotion, customer service including pre sales service and post sales service etc. Apart from all these, maintaining good relationship with customers is very important strategy for the retailers. Retail companies seek to maximize relationships with customers. Thus, a shift in organizational thinking is necessary as retailers embrace a “customer-centric” focus and implement strategies to support this focus. This shift in organizational culture challenges retailers to revise organizational systems and processes, identify customer-related metrics, and identify areas of strategic advantage.

The aim of relationship marketing is creating strong and lasting relationship with their customers. It is also very much applicable in retailing as well and is popularly known as CRMR (Customer Relationship Management in Retail). The main aim is to build trust or keep promises and maintain long term relationship with customers.

Successful CRM can provide several returns on investment for the retailer like increased loyalty, increased cross sells and up sells, increased customer awareness of product, increased customer to customer referrals, decreased service costs and better inventory management. Relationship management strategies attempts to provide benefits to the buyer above and beyond the core service performance. Many retailers treat their regular customers in a warm and personal way and also provide them with special benefits in terms of home delivery, discounts, special gifts and reward points etc. All these benefits are above and beyond the core service performance.

1.13. COMPONENTS OF RETAILER RELATIONSHIP STRATEGY

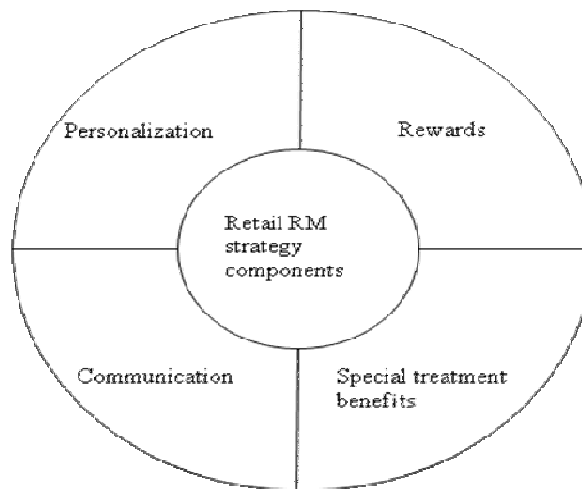


Figure 1.9: Components of Retailer relationship strategy

Source: Chetan Bajaj, Rajinish Tuli and Nidhi V Srivastava, Retail Management, p 578

a). Personalization - Personal exchange between buyers and sellers are important in influencing the quality of product. The term personalization refers to the way in which employees relate to customers as cold and impersonal at one warm and personal at the other. Some outlets maintain personal relationship with customers and customers also appreciate personal contact in the store. It leads to a positive impact in terms of increasing trust in the seller/store, customer satisfaction with the relationship and repeat purchase.

b). Special treatment benefits – retailers can differentiate their customers into two groups - loyal customer and non-loyal customers. Most of the retailers use core service upgradation and extra service, special treatment benefits to customers in return for their loyalty. Loyalty customers or membership customers get more benefits than non-loyal customers.

c). Communication benefits – communication is often considered as a necessary condition for the existence of a relationship. Sellers try to maintain communication with customers for making them loyal customers. This ‘stay in touch’ with the customer has been identified as the key determinations of relationship enhancement in retailer-customer relationship. This, communication process is face to face way. Many retailers adopt direct mail, e-mail, telephone, and SMS as means to interact with their loyal customer or members of loyalty program.

d). Rewards – Reward concept is very essential concept of any business which provides customers with tangible rewards often referred to as level one relationship marketing. This level of relationship making relies primarily on pricing incentives and money savings to secure customer loyalty. These reward programs like customer loyalty bonuses, free gifts, personalized discount coupons and other point for benefits. Generally these reward benefits are applicable to membership or loyal customers only.

1.14. CUSTOMER LOYALTY

Customer loyalty involves building a long-term relationship between the supplier and the individual customer in order to improve profitability. To achieve this, supplier needs to understand the customers' spending habits and know what products they currently buy (and don't buy) so that any communication can be meaningful. In simple terms, customer loyalty from Czepiel's (1990) perspective “is a notion to describe the end result of a relationship between the organization and the customer”. In order to gain loyalty, the organization can provide incentives that will increase the value for the customers and in that manner create buying fidelity among them (Blomqvist et al., 2000).

1.15. LOYALTY PROGRAM

Loyalty program is an agreement between a customer and a retailer. In ideal situations these programs are win - win cases for both the customer and retailers. As it allows the retailer to capture personal information and transaction information of a customer and in exchange the customer gets discounts, promotions, special services, rewards etc. loyalty program can influence the buying behaviour of retailer's customers. However, the real value addition of loyalty programmes come when retailers leverage the loyalty card information for marketing, merchandising and business strategy decision. This is actually used to design solutions to products, prices, and services for better customer value i.e. customer specific store assortment, promotion scheme etc.

1.15.1. Objectives of loyalty program - The main objective of the loyalty program:

- Create long term relationship with customers.
- Maintain sales levels, margins and profits (a defensive outcome to protect the existing customer base).
- Increase the loyalty and potential value of existing customers (an offensive outcome to provide incremental increases in sales, margins and profits).
- Induce cross-product buying by existing customers (either defensive or offensive).
- Make customer permanent and retain.

1.15.2. Benefits of Loyalty programs

- Frequent shopping visits, repeat sales and larger baskets for existing customers (as there are reward points with each buy).
- Higher rates of conversion on campaigns (as campaigns are more personalized)
- Create new customers (as there is typically a cash incentive for making a first buy with the card).
- Better customer intelligence and Increase the turnover and profit.
- Customer retention, Reduce mark-downs and Establish long term relationships.
- Improve product awareness and advocates.
- Cross sell and up selling departments.

- Improve the effectiveness of direct marketing.
- Members can get discounts on listed price of products at the same or affiliated retailers.
- Innovative services like few airlines who offer prestige programs with perks like frequent flyers upgrades to first class, free flight and freedom from waiting in line.

1.15.3. Use of Information Technology for loyalty programs

Information technology helps to implement the loyalty program effectively like:

- Point of Sales (POS) systems that record actually transactions.
- Reward point management systems that maintain reward point balance. Customer data warehouse that store, standardize and clean data
- Customer analytics software that helps in predictive modeling i.e. data mining, and analyze customer transactions to retrieve useful insights from that to take merchandising and promotions decisions.

Generally organized retailers use different kinds of technology devices for their effective business transactions. There are many types of tools which are POS (Point of Sale), RFID (Radio frequency identification), Barcode, ERP (Enterprise resource planning), Mobile application, EAS (Electronic article surveillance), ECR (Electronic customer response), e-CRM (Electronic CRM), Checking scanner, Debit/Credit card payment machines, Data mining, Digital camera/CCTV, ATM's, Touch screens, Interactive Kiosks, Data warehousing, Smart-card embedded loyalty cards etc. All these technology devices simplify the business task and maintain good relationship with customers.

In India, CRM is quite a new phenomenon in retailing industry. The big retailers have installed CRM systems to identify and track customer purchases and take appropriate management decisions, especially on managing customer relationships. Now, organized retailers like Pantaloons, Life style, Big Bazaar, Westside, Shoppers' Stop, etc., have started concentrating on providing more value to their valuable customers using targeted promotions and services to increase their share of wallet, i.e., the percentage of the customers' purchases made from these retailers with these customers.

In India almost every organized retailer operates some kind of loyalty programs. Retailer uses these programs mainly to drive repeat sales and converting customers to its members. Through this program frequent shopper gets rewards or special benefits. These programs help retailers in increasing the number of footfalls as well as enhancing their sales revenues and profits. For example some of the organized retailers in India are implementing loyalty programs (a CRM program). Pantaloon - Green card program, Shoppers' Stop - First Citizen Club, Life style – the inner circle, West side - the club west, Pyramid Megastore Known as the ' Pyramid Power Club ' etc. The real strength of these programs lies in the data it generates which helps in designing personalized promotion planning, one to one marketing strategy and specialized personal approaches that make retailers most important customers feel special. Data derived is rarely analyzed to take strategic decision like store location strategy, merchandising and assortment strategy, promotion strategy etc.

1.16. SCOPE OF THE STUDY

It has been established that the aim of the customer relationship marketing is to create long term loyal relationships between organization and customers. To understand the challenges and opportunities in the Indian organized retailing sector, this study focuses on select organized retailers operating in Indian market, with a specific focus on customer relationship management (CRM) strategies and the practices therein.

This study has been conducted in selected four cities- Delhi (NCR), Hyderabad, Kolkata and Mumbai. As part of the research, a customer survey has been done to understand the impact of the CRM strategies, information technology and customers' perceptions regarding the satisfaction, loyalty, retention programs in retail sales transaction.

1.17. NEED FOR THE STUDY

Retailing industry is an emerging sector in the world as well as in India. In India many big players have entered the retail sector with different formats like departmental stores, super markets, hyper markets etc. Retail bigwigs in India today are Lifestyle, Pantaloon, Shoppers Stop, Westside, Reliance mart, Globus, Spencer's etc.

All these retailers are implementing different strategies to build long term relationship with customers and to overcome the furious competition prevailing in the sector. The main strategies have been the 'loyalty card' or 'membership club' programs which have been adopted by a majority of the stores. The study also focuses on customer buying behaviour towards product selection and store selection in different cities in India. Using all the information generated from the surveys and other data collection tools, the study has identified some gaps in implementation of CRM practices in organized Indian retailing.

"It is always inexpensive to maintain existing customers instead of attracting new ones. Excellent customer relationship is essential for regular and sustainable store growth. CRM is done with quality customer care which is effective and efficient way for the stores to create a long-term relationship with their customers." - (Elinder, 1993).

These statements are supported by Lindbom and Jonsson (1992) who claim that the idea of working with customer care is to try to make the customer satisfied and to strengthen the bond between the customer and the organization. Then it is more likely that a satisfied customer returns to the organization and recommends the organization to other people too.

Retention is a major challenge faced by retail organizations especially in a scenario where switching cost is very low for today's customer. Dissatisfied customers can easily walk from one retailer to another. Considering the high costs of acquiring new customers and the apparently high customer turnover, it is very important to study the significant determinants related with customer satisfaction. Customer satisfaction is the key factor determining how successful the organization will be in customer relationships (Reichheld, 1996).

1.17.1. Strategies used by retailers: Membership card program or loyalty card program or customer club program are some of the focal strategies for retailers to create long term relationship with customers. An exclusive customers' club gives the organization access to prequalified customers who like the retailer and his offer. The possibility of creating long term relationships with these customers and through them

reach new customers is also high. This in turn will increase the organization's profitability as the marketing costs will decrease when the marketing to existing customers. Also, through customer club programs, companies can analyze the information about their customers' buying behaviour, measure the effectiveness of their marketing campaigns and acknowledge the activities appreciated by the customers (Elinder, 1993).

For effective implementation of CRM practices, retailers are increasingly depending on Information technology as a tool. IT helps retailers in all areas of business transactions like product assortment, customer database, online billing, communicating with customers like SMS's, e-mail etc. With all the technological assistance, the customer attains a better relationship status with organization.

This research study focuses on relationship strategies used by select retailers and their CRM practices in India. Departmental stores offer a wide range of products in an organized fashion that are easily accessible to the consumers. Product lines of the departmental stores are substantially long. Department stores also provide better amenities to customer for shopping by providing adequate infrastructures for parking, leisure, coffee shops etc. Departmental stores contain "a pin to plane" under a single roof. Customers are able to purchase whatever they want under a single roof. In India most of the departmental stores attract customers with attractive formats of apparels and discount based daily needs (FMCG) products etc. Lifestyle, Pantaloon, Shoppers Stop, Westside, Reliance Mart, More etc are the example of departmental stores.

1.18. RESEARCH QUESTIONS

1. What are the strategies that select Indian organized retailers are implementing so as to create long term relationship with customers?
2. Whether the customer loyalty program practices creates loyalty in their membership card holders?
3. What are the relationship practices and services leading to satisfaction, loyalty, retention and profitability in customer?
4. Is there any difference in customer's perception among the cities across India in selection of product and outlet/store?
5. Is technology helping to create long term relationship with customers?

CHAPTER -2

REVIEW OF LITERATURE

2. REVIEW OF LITERATURE

The aim of this chapter is to provide insight to the research area as well as review of relevant literature in the area related to the research scope and main questions. First, study discussed concepts that are concerned with relationship marketing, customer relationship management, CRM philosophy, objectives, benefits, components, performance effectiveness, and e-CRM. In the second face discussed overall Retailing, Indian scenario, retailer's strategies, customer behaviour, e-retailing and future of retailing. Finally the study reviewed with CRM in Retailing, loyalty programs, customer satisfaction through CRM practices, and customer retention through satisfaction, membership clubs and its benefits in retailing industry.

2.1. RELATIONSHIP MARKETING

The term 'relationship marketing' was first used by Berry (1983), who first emphasized the importance of relationship building strategies in retailing and banking. Relationships between buyers and suppliers are discussed by a number of authors, including Turnbull and Cunningham (1981), Hakansson (1982), Ford (1990), Axelsson and Easton (1992), Ford et al. (1997). Gronroos and Gummesson were influential in the exploration of service marketing and service quality and its link to relationships (e.g. Gronroos, 1994, 1997a, b, 2000; Gummesson, 1987, 1995, 1999). The emergence of relationship marketing with its emphasis not just on getting customers but on keeping them (Christopher et al., 1991) and the growing body of research on the relationship between customer retention and increased profitability (e.g. Blattberg and Deighton, 1996).

The first researchers who defined relationship marketing as "all marketing activities directed toward establishing, developing, and maintaining successful relationships" were Morgan and Hunt (1994). These Relationships can exist between the organization and its customers and also between the organization and other organizations and stakeholders. Relationships between customers and business firms have been consistently encouraged as successful business practices worldwide. The connection with marketing has seldom been established formally in the development of marketing theory" (Yau, 2000).

Relationship marketing propose that firm's first priority is to take maintain their existing customers and to build a long-term relationship to achieve a solid and long-term profitability according to Gummesson (2002). The strategy is to at first hand keep existing customers instead of getting new customers and it emphasizes collaboration and the purpose of the relation is that both parties make a profit on it. The relationship between the one who sells something and the one who buys something forms the classic dyad of marketing, a two-party relationship. This is the parent relationship of marketing. The two interacting parties are a supplier and a customer. Customer usually means external customer.

The supplier is the seller, and the seller can be represented by a salesperson, whose task is personal selling. In the latter meaning there is a face-to-face relationship or a relationship via letter, telephone, email, the Internet or other media. In individual market relationships a customer interacts with another individual who is a salesperson, or another employee of the selling organization. Market relationships also exist between companies, industries, regions, countries and groups of countries. When the selling situation is more extensive and complex, the selling activity turns into negotiations. The salesperson becomes a negotiator and the negotiations are often handled by a team from either side.

2.2. Definitions of Relationship marketing

- (Gummesson, 2002) "Relationship marketing is marketing based on interaction within networks of relationships".
- Grönroos (1998, p 14) definition of relationship marketing focus more on the importance of a good relationship to the customer and what it brings: "Establish, maintain and strengthen profitable relations with customers and other parties with the purpose to obtain the goals of all parties involved".
- Berry and Parasuraman (1991, p 133) definition goes even deeper than Grönroos. Their definition explain what the purpose is with relationship marketing and what customers expect of the company: "Attract, retain and develop customer relationship where the main purpose is to create faithful customers, who are pleased with their choice of supplier and who think that they get value for their money".

Steve Worthington and Anne Harbisher (1997) explained the essence of relationship marketing lies in two approaches to the customer, be they personal or corporate. Firstly the predominance of the individual is acknowledged, resulting in an emphasis on dealing with each customer as an individual. The second approach concerns the desire to retain existing customers, products or services, rather than creating them a new. The rationale for such retention strategies is outlined in Reichheld and Sasser (1990) and Reichheld (1993), with the emphasis on the retention of customers. Little, however, has been researched or written about relationships between retailers and their suppliers of services, particularly financial services. Jillian Dawes Farquhar, Tracy Panther (2008) explored the balance between customer retention (CR) customer acquisitions (CA) and to discover marketing activities. CA and CR are not separate activities and that one impacts upon the other (Reinartz et al., 2005).

2.3. CUSTOMER RELATIONSHIP MANAGEMENT (CRM)

In the marketing literature the terms customer relationship management and relationship marketing are used to reflect a variety of themes and perspectives. Some of these themes offer narrow (1995) points out, these terms have been used to reflect a variety of themes and perspectives. Relationship marketing can be considered as company's marketing strategy and CRM is working as a company's business strategy. According to Bull (2003) in recent years many organizations have perceived the need to be more customer-orientation because of severe global competition. Hence, customer relationship management (CRM) has become an important element of many organizational strategies. Technically, CRM systems can be viewed as information systems helping organizations to realize a customer focus.

According to Gummesson (2002) CRM can be defined as "It is the values and strategies of relationship marketing – with particular emphasis on customer relationships – turned into practical application". Sterne (2000) definition of CRM is easier than Gummessons. "CRM is the art of using every bit of information that comes into your company about each customer as a means of tailoring your communications with them on a one-to-one basis".

2.4. CRM Philosophy and Background

Customer Relationship Management (CRM) has become one of the most dynamic concept of the new era. CRM is not really a new concept, but somehow, due to recent advancement in information technology, it has gained practical importance (Chen and Popovich, 2003). The philosophical base of CRM is relationship marketing, customer retention, profitability, lifetime value, and satisfaction created through business process management (Chen and Popovich, 2003). In the past, the limited competition and increasing consumer demand allowed companies to neglect the relationship thinking since consumers were buying anyway.

The traditional view on marketing had an emphasis on acquiring new customers and by doing so, gaining market share. Today, however, the competition is intensive, customers have more buying options and their tastes are highly fractionized. In other words, customers have become more demanding and harder to satisfy. The view on traditional marketing has shifted to a marketing philosophy where sustainable competitive advantage is gained through the development of company's customer relations, not necessarily through the acquisition of new customers as the traditional view suggests (Blomqvist, Dahl and Haeger, 2000).

2.5. Definitions of CRM

There are many CRM definitions were proposed by marketing practitioners and scholars. CRM managing the customers has become one of the central ways to make the companies' operations more effective and profitable (Raulas, 2005). Customers should be seen as investments, because without customers a company will not have any profits, no revenues and consequently no market value. "While some of these conceptualizations are similar, there is definitely a lack of consensus as to the most appropriate way in which this emerging phenomenon should be defined" (Zablah et al. 2004b).

Atul Parvatiyar and Jagdish N Sheth, (2001) describe CRM refers to a conceptually broad phenomenon of business activity. They attributed the development of CRM to the changes of business circumstances with IT, especially innovation of firms,

interfaces with customers and total quality philosophy associated with cost reduction efforts. They paid attention to customer selectivity and the simultaneous realization of efficiency, instead of viewing CRM in a narrow sense of data marketing.

Dick Lee (2000) state that CRM is perceived as “chain reaction”, which is caused by new strategic initiatives of communication with a customer when high level of information technologies’ development and constant customer’s need to get better quality of services are achieved. Thompson (2002), “CRM Guru”, explains the definition of CRM: in big business, even if it consists of only several persons, there is no collective mind till all information is not saved by different media; and having saved it, it should be presented to “appropriate people” “at appropriate time”. For this purpose personal computers, software, and the Internet are necessary. In the aspect of information technologies CRM is understood as the complex of software and technologies, automating and performing business processes in the following areas: sales, marketing, service, and customer support. The software helps to coordinate the activity of departments interacting with customers (sales, marketing, service and support), as well as to coordinate different channels of communication with customers: individual communication, telephone, and Internet.

Frederick Newell (2003) has expressed his view that the term CRM, or "Customer Relationship Management" implies that companies can manage the customer relationship by targeting specific customers for specific product offerings. Most reports show that only 25 to 30 percent of companies implementing CRM initiatives feel that they are getting the return they expected. Executives working in various business organizations want CRM deployed quickly and broadly as they expect that it would bring a rapid return on their investment. Companies often underestimate the magnitude of the task, and also fail to understand what the customer really wants from a business relationship. As a result, the initiatives launched to build and manage relationships with customers result in destroying those relationships. The author expressed his opinion that, consumers want companies to make their lives easier and less stressful by not forcing them to do anything they don't want to do.

Kincaid (2003) defined CRM as “the strategic use of information, processes, technology, and people to manage the customer’s relationship with company (marketing, sales, services, and support) across the whole customer life cycle”. Choy et al. (2003) suggest that CRM is an information industry term for methodologies, software, and usually internet capabilities that help an enterprise manage customer relationships in an organized way. It focuses on leveraging and exploiting interactions with the customer to maximize customer satisfaction, ensure return business, and ultimately enhance customer profitability. But in practice, managers often perceive CRM from different standpoint, for example, CRM is a part of marketing efforts, customer service, particular software and technology, or even a process and strategy.

Peter C. Verhoef (2003) has observed that firms aim to build close relationships with customers to enhance Customers' Relationship Perceptions (CRPs). Customer relationship perceptions are considered as evaluations of relationship strength and a supplier's offerings, and customer share development is the change in customer share between two periods. In this context Customer share is defined as the ratio of a customer's purchases of a particular category of products or services from supplier to the customer's total purchases of that category of products or services from all suppliers.

Darrel K. Rigby and Dianne Ledingham, (2004) studied a wide range of companies that have recently been successful in implementing CRM systems, and had discovered some common threads in their experiences. The most important, factor observed was that all the companies under the study had taken a pragmatic, disciplined approach to CRM, launching highly focused projects that are relatively narrow in their scope and modest in their goals. Rather than using CRM to transform entire businesses, they have directed their investments toward solving clearly defined problems within their customer relationship cycle - the series of activities that run from the initial segmenting and targeting of customers all the way through to attracting them back for more. The successful users have also exhibited a healthy skepticism, discounting overblown claims that the ultimate pay back from a CRM system is the creation of a "real-time enterprise".

Don Peppers and Martha Rogers (2002) have observed that the ideas and concepts that lay foundation to CRM are very strong in their nature, and the concept of CRM is not a fad. The authors have examined more than twenty case histories across the world. They have observed that there are four simple implementation steps for implementing any CRM initiative. They are:

- a) Identifying the customers- this step refers to knowing the customers individually in as much detail as possible, and being able to recognize them across all contact points, through all the available media, across every product line, at every location, and in every location, and in every division.
- b) Differentiating the customers- Customers represent different levels of value to the company, and they have different needs. Companies should prioritize their efforts and gain advantage from the most valuable customers, and they should tailor the firms' behaviour towards each customer based on the customer's individual needs.
- c) Interacting with the customers- Interactions with the customers should be less expensive and more useful in terms of producing information that is useful in strengthening customer relationships. Every interaction with the customer should take place in the context of the previous interactions with that customer.
- d) Customizing enterprise behaviour towards the customer- A firm should adapt some aspect of its behaviour to meet the customer's individually expressed needs. This step may require mass customization of a manufactured product or customizing some aspect of the services related to a product.

Paul Greenberg (2001) has observed that in the contemporary business, the customer is the controlling force. He gave his opinion that the customers cannot be moulded and shaped in accordance to the product. The process has been entirely reversed and has become more of a continuous, real-time process than a fixed plan. The author has explained that CRM is a complete system that (1) provides a means and method to enhance the experience of the individual customers so that they will remain customers for life, (2) provides both technological and functional means of identifying,

capturing, and retaining customers, and (3) provides a unified view of the customer across an enterprise.

Frederick Newell (2003) has expressed his view that the term CRM, or "Customer Relationship Management" implies that companies can manage the customer relationship by targeting specific customers for specific product offerings. Most reports show that only 25 to 30 percent of companies implementing CRM initiatives feel that they are getting the return they expected. Executives working in various business organizations want CRM deployed quickly and broadly as they expect that it would bring a rapid return on their investment. Companies often underestimate the magnitude of the task, and also fail to understand what the customer really wants from a business relationship.

Duane Sharp (2003) explained Corporate CRM strategies are dependent on an information infrastructure comprised of various technologies that enable organizations to store, access, analyze, and manipulate large amounts of customer data. Most organizations with large number of customers to manage, frequently in the thousands or millions, require a combination of sophisticated technologies to implement CRM. Four major areas of technology contribute to a successful CRM project: 1. Data warehousing 2. Database management systems 3. Data mining 4. Business analysis software within each of these major technology areas there are subsets of system and application software to handle a range of CRM- oriented functions, such as: queries on the database, value analysis, and mathematical models for predictive analysis, as well as other mathematical data analysis techniques referred to as "analytics". All of these applications contribute to the CRM solution by enabling organizations to analyze data based on a wide range of parameters.

Simon Knox, Stan Maklan, Adrian Payne, Joe Peppard, Lynette Ryals (2003) said a 'value proposition' is the offer defined in terms of the target customers, the benefits offered to these customers, and the price charged relative to the competition. Value propositions explain the relationship between the performance of the product, the fulfillment of the customer's needs and the total cost to the customer over the customer relationship life cycle. Formulating the value proposition involves defining

the target customers, the benefits offered to these customers and the price charged relative to the competition.

To determine whether the value proposition is likely to result in a superior customer experience, firms must quantify the relative importance customers accord to the various attributes of a product. The value the supplier receives from the customer is the outcome of providing and delivering superior value to the customer; deploying improved acquisition and retention strategies; and utilizing effective channel management. Fundamental to this concept of customer value understands the economics of customer acquisition and retention and the opportunities for cross-selling, up-selling and building customer advocacy.

Jill Griffin Michael W. Lowenstein Foreword by Don Peppers and Martha Rogers (2001) explained the Customer win back concept. To get the customer back company should manage the Big Three activities Acquisition, Retention, and Win-Back. When you earn a customer's loyalty, you are also maximizing the customer's revenue contribution to your firm. In today's hypercompetitive marketplace, a customer's loyalty is challenged without a doubt, your first defense is strong acquisition and retention programs. There is absolutely no substitute for attracting high-potential customers and retaining them. To maximize customer loyalty and profits, you need a fully equipped marketing arsenal, complete with acquisition, retention, and win-back programs.

V. Venkataramana and G. Somayajulu (2003) have observed that CRM as a business strategy has radically transformed the way organizations operate. There has been a shift in business focus from transactional to relationship marketing where the customer is at the centre of all business activity. Organizations are now trying to restructure their processes around the needs of their strategically significant customers. The critical driver of such a significant shift towards customer orientation is the realization that customers are a business asset that when managed effectively can derive continuous and sustainable economic value for an organization over their lifetime.

Banks have relationship managers for select customers, airlines have frequent flyer programs to reward loyal customers, credit card companies offer redeemable bonus points for increased card usage, telecom service operators provide customized services to their heavy users, hotels have personalized services for their regular guests and retailers have membership programs.

2.6. Objectives of CRM: Several authors have theorized and defined the CRM objectives as below:

- Objectives by Bayon, Gutsche, and Bauer: Bayon et al. (2002) state that organizations should view following objectives for CRM: closed-loop marketing, better information for better management, and expand marketing channels through the Web.
- Objectives by Kim, Suh and Hwang: Kim et al. (2003) for categories of objectives for CRM: customer knowledge, customer interaction, customer value, and customer satisfaction.
- Objectives by Burnett: Burnett (2001) has categorized the objectives of CRM into three categories; cost saving, revenue enhancement, and strategic impact. Objectives by Wilson, Daniel, and McDonald: Wilson et al. (2002) claim that CRM objectives are to increase business opportunities by: improving the process to communication with the right customers, providing the right offer for each customer, providing the right offer through the right channel for each customer, and providing the right offer at the right time for each customer.

2.7. Core CRM benefits

Early CRM researchers had hypothesized that CRM benefits varied by industry as the processes and technologies associated with CRM were tailored to specific industry structures (Rust, Lemon, Zeithaml, 2001). However, findings in a recent cross cultural, multi-industry study of CRM done by Reinartz et al. (2004) support the notion that desired CRM benefits do not vary greatly across industries or countries, as had earlier been thought. This later finding lends support to the idea that core benefits associated with CRM initiatives exist across contexts. The following lists of desired CRM benefits.

Lists of desired CRM benefits								
Authors/date	Value Drivers							Core CRM benefits
	Target	Integrate	Sales	Messages	Customize	Cust Serv	Pricing	
Buttle (2004)						X	X	<ul style="list-style-type: none"> • Reduces cost to serve • Increases revenue • Increases customer satisfaction and loyalty
Chen and Popovich (2003)	X	X	X	X		X		<ul style="list-style-type: none"> • Increases data sharing across selling organization • Improves customer service • Improves cross-selling/up-selling • Improves customer targeting • Enables better personalization of marketing messages • Provides better self-service options for customers • Improves buyer–seller integration
Croteau and Li (2003)			X	X	X			<ul style="list-style-type: none"> • Enables customization of products and services • Provides customers a “one-to-one” experience • Improves sales force efficiency and effectiveness • Enables customized marketing plan for each customer
Eggert, Ulaga, and Schultz (2006)		X				X	X	<ul style="list-style-type: none"> • Improves support for product development • Increases supply-chain efficiencies via personal contact • Enhances supplier know-how
Jones, Brown, Zoltners, and Weitz (2005)			X		X	X		<ul style="list-style-type: none"> • Improves customization of services and product Offerings. • Enhances ability to create long-term partnerships • Improves salesperson efficiency and effectiveness
Jones, Stevens, and Chonko (2005)	X	X		X		X		<ul style="list-style-type: none"> • Improves ability to find, obtain and keep customers • Increases salesperson efficiency • Assists in gathering competitive intelligence • Coordinates communication • Enables salespeople to have a lifetime value perspective
Jones, Sundaram and Chin (2002)		X				X	X	<ul style="list-style-type: none"> • Improves sales force efficiency and effectiveness • Improves pricing • Reduces cost-to-serve
Leigh and Tanner (2004)		X	X					<ul style="list-style-type: none"> • Improves sales force effectiveness and efficiency • Enables knowledge management • Improves knowledge sharing within the selling firm
Park and Kim (2003)					X	X	X	<ul style="list-style-type: none"> • Simplifies customer support • Reduces cost-to-serve

								<ul style="list-style-type: none"> • Improves product differentiation • Improves pricing
Parvatiyar and Sheth (2000, 2001)	X	X		X		X		<ul style="list-style-type: none"> • Improves customer segmentation • Enables key account management and business development • Improves customer loyalty • Improves cross-selling/up-selling • Enables co-branding, joint-marketing and strategic alliances
Reinartz, Krafft and Hoyer (2004)	X					X	X	<ul style="list-style-type: none"> • Improves pricing • Enables segmentation based on economic value of customer • Improves resource allocation to accounts
Rigby, Reichheld and Schefter (2002)	X			X	X			<ul style="list-style-type: none"> • Improves customer acquisition and retention efforts • Enhances ability to offer right products and services to right customer • Enables companies to pursue “best processes” • Motivates employees to foster customer relationships
Rigby and Ledingham (2004)	X	X	X	X				<ul style="list-style-type: none"> • Improves information sharing within the selling company • Automates all aspects of customer relationship cycle (development of offering, sales, superior experience, retention and win-back, and targeting and marketing)
Rivers and Dart (1999)			X				X	<ul style="list-style-type: none"> • Reduces administrative duties • Improves sales effectiveness • Improves pricing
Sabri (2003)			X		X			<ul style="list-style-type: none"> • Enables personalized products and services • Improves sales force efficiency • Enhances product development
Sheth, Sisodia and Sharma (2000)				X			X	<ul style="list-style-type: none"> • Improves customization of marketing efforts to individual customers • Enhances ability to understand costs
Sheth and Sharma (2001)				X			X	<ul style="list-style-type: none"> • Improves the financial efficiency of marketing efforts
Spekman and Carraway (2006)		X						<ul style="list-style-type: none"> • Enhances decision making • Improves supply-chain planning and integration

Tanner, Ahearne, Leigh, Mason, and Moncrief (2005)	X	X					X	<ul style="list-style-type: none"> • Improves customer segmentation and valuation • Enhances acquisition, development and retention of customers • Enables better allocation of resources across the customer portfolio • Enhances communication across multiple selling channels
The Sales Educators (2006)			X		X	X		<ul style="list-style-type: none"> • Enhances customer knowledge and feedback • Supports new product/service development • Improves customer solutions and relational values
Thomas, Blattberg, and Fox (2004)	X			X				<ul style="list-style-type: none"> • Enables companies to win-back lost customers
Thomas, Reinartz and Kumar (2004)				X	X			<ul style="list-style-type: none"> • Improves marketing effectiveness • Enables customization of products and services • Improves customization of marketing efforts to individual customers
Verhoef (2003)						X		<ul style="list-style-type: none"> • Improves customer commitment, satisfaction and loyalty
Wilson, Daniel, and McDonald (2002)		X					X	<ul style="list-style-type: none"> • Improves channel choice • Allows multi-channel integration • Enables individualized pricing
Winer (2001)				X				<ul style="list-style-type: none"> • Enables better customer attraction, conversion and retention of target customers
Zikmund, McLeod, and Gilbert (2003)	X	X			X	X	X	<ul style="list-style-type: none"> • Improves customer focus • Improves retention efforts • Increases share of customer • Enhances long-term profitability • Enables continuity across channels • Personalizes service • Enhances satisfaction

(X -Indicates support for each of the seven value drivers).

Table 2.1: Summary of CRM benefits and indications of their support of the value drivers.

(Source: K.A. Richards, E. Jones / Industrial Marketing Management 37 (2008) 120–130).

2.8. Components of CRM

CRM technologies are categorized into three groups; Operational CRM, Analytical CRM and Collaborative CRM (Reynolds, 2002). The categorization is to help better understand how a CRM technology can provide required services and function in order to better serve the customers. (Reynolds, 2002 Francis Buttle 2004) defines CRM is clearly a business practice focused on customers. The term CRM has only been in use for a few years. One view, held by some of the information technology (IT) companies, is that the term CRM means selling and service functions of businesses. Strategic CRM is focused on the development of a customer-centric business culture.

This culture is dedicated to winning and keeping customers by creating and delivering value better than competitors. The culture is reflected in leadership behaviours. Many businesses claim to be customer-centric, customer-led, customer-focused or customer-oriented. Indeed, there can be very few companies of any size that do not claim to be on a mission to satisfy customer requirements profitably. He explained about operational CRM, analytical CRM concepts. *CRM* is commonly divided into three aspects- (Shahanam 2000 and Karimi et al. 2001).

- a) Analytical* – “Analytical CRM systems manage and evaluate knowledge of customers for a better understanding of each customer and his or her behaviour. Data warehousing and data mining solutions are typical analytical CRM systems. Customer data may be found in internal sources such as customer purchase, payment history, campaign response, loyalty scheme data, etc”.
- b) Operational* – “Operational CRM systems improve the efficiency of CRM business processes and comprise solutions for sales force automation, marketing automation, and call center/customer interaction center management.”
- c) Collaborative* – “Collaborative CRM systems manage and synchronize customer interaction points and communication channels (e.g. telephone, e-mail etc).”

2.9. e-CRM (Electronic Customer Relationship Management)

According to Dyche (2001) e-CRM is a combination of software, hardware, application and management commitment. Critical and significant point is that e-CRM takes into different forms depends on the objectives of the organizations. Dyche (2001) has defined two types like Analytical e-CRM and Operational e-CRM. Analytical CRM is a collection of customer's data as a continuous process. The main purpose of this means is to identify and understand customer's needs and to create new business opportunities by giving prior importance to the customers. Operational e-CRM means the diverse ways of resembling the customer by web based emails, phone, fax etc. Dyche (2001) has also identified the main aim of e-CRM systems is to improve and provide better customer service, develop a relationship and preserve valuable customers.

Jerry Jermestad Nicholas c.Romand, Jr (2006) explained e-CRM involves actual contact with the customer through electronic means such as an online Web form or fax. The processing of data collected through operational e-CRM is analytical e-CRM. This involves many of the same techniques as traditional CRM, such as data mining, to glean valuable information about current and potential customers. The definition of the "e" in e-CRM does not limit the data collection and processing to the Internet. e-CRM business transactions are giving best results to any business especially retailing industry. Electronic coupons based on customer buying patterns are just one example of the use of e-CRM data to foster better relationships with customers electronically.

2.10. Difference between CRM and E-CRM

The main difference between the CRM and e-CRM is that in CRM customer contact is initiated through traditional means of telephone, retail store or fax. Whereas in e-CRM in addition to telephone, customer contact can be initiated through the internet, email, wireless, mobile and latest technologies. According to Chaffey, D. (2007), e-CRM refers to electronic customer relationship management or simpler, CRM that is more web based. Here in the e-CRM the beauty of running everything off one system is that we can look at the information any time whether we are near to the place and can also access to the

information needed whenever we required. Coming to CRM direct implementation took more time and management is costly as the systems are located in different locations.

2.11. Advantages of e-CRM

Due to e-CRM, you can interact with customer's right at your site through phone, chat, email, collaboration or forwarding of pages back and forth between the Representative and the Customer. According to Harris, E. K. (2000) e-CRM customers will have any service available anytime throughout the year and can assist the customer in any way he required and pass on any information about your company's product or service, right then and there with the prior permission when the customer is browsing through pages at your site. e-CRM maintains long term relationship with the customers by providing trust, ethics and friendship.

2.12. INTRODUCTION OF RETAILING

Evans R. Joel and Barry Berman, (2005) Retailing encompasses the business activities involved in selling goods and services to consumers for their personal, family, or household use. It includes every sale to the final consumer ranging from cars to apparel to meal at restaurants to theatre tickets. Retailing is the last stage in the distribution process. A retailer must properly apply the concept of "value" and "relationship" so (a) customer strongly believes the firm offers a good value for the money and (b) both customers and channel member want to do business with that retailer.

Kotler Philip and Keller Kevin Lane, (2008) defines Retailing includes all the activities in selling goods or services directly to final consumers for personal, non-business use. A retailer or retail store is any business enterprise whose sales volume comes primarily from retailing. Any organization selling to final consumers whether it is a manufacturer, wholesaler, or retailer – is doing retailing. It doesn't matter how the goods or services are sold (in person, by mail, telephone, vending machine, or on the Internet) or where (in a store, on the street, or in the consumer's home).

2.13. Indian Retailing Scenario

Chetan Bajaj, Rajnish Tuli, Nidhi V. Srivastava (2005) explained the retail industry in India is largely unorganized and predominantly consists of small, independent, owner-managed shops. Organized retailing in India represents a small fraction of the total retail market. Modern retail formats are showing robust growth as several retail chains have established a base in metropolitan cities, especially in south India, are spreading all over India at a rapid pace. However, space and rentals are providing to be the biggest constraints to the development of large formats in metropolitan cities since retailers are aiming at prime location. In urban India, families are experiencing growth in income but dearth of time. More and more women are taking up corporate jobs, which is adding to the family's income and leading to better lifestyles. Rising incomes has led to an increased demand for better quality products while lack of time has led to a demand for convenience and services.

Traditional retail formats refer to those formats that have long been part of the retail landscape of India. These are namely a) Kirana and independent stores, b) Co-operative and government owned stores. Kirana and Independent stores have emerged with the spread and density of population. Historically, they are traced to the generation of surplus in agriculture that needed to be sold to obtain other essential commodities by the producer. Co-operative stores in India are the result of the co-operative movement that can be traced to the pre-independence period. They emerged as a reaction to the feudal system and attempted to place the fruits of labor in the hands of the producer himself to make him reliant.

Suja R. Nair (2008) stated in the past, Indian retailers had viewed information technology (IT) with suspicion, as stories of huge outlays with almost no gain were doing the rounds, making them rather skeptical. However, the recent boom has opened their eyes to the fact that in order to compete with international standards and processes, it is very necessary to invest in IT. Retailers are investing in extensive computer and high speed communications network which collect and exchange data between stores, distribution retailers. Retail supplier's partnerships will depend on technology, substituting

information for inventory in the pipeline to reduce costs while improving productivity. Retailers will rely on technology to establish links with customers through electronic retailing and customer relationship management. Generally retailers take the help of IT in carrying out basic functions such as systems for selling items, obtaining sales data item-wise, control of stock, buying, management reports, customer information and accounting. Retailers are interested in using IT to gain competitive advantage. For this, retailers will have to differentiate their service offers from competitors and adopt innovative ways to serve them.

2.14. RETAILERS STRATEGIES

2.14.1. Retailers Relationship strategies

Evert Gummesson (2002) mentioned relationship marketing (RM) is not just another bag of tricks to capture customers, it offers a wide range of conditions for more efficient management and marketing and opportunities of making money. The relationship between the one who sells something and the one who buys something forms the classic dyad of marketing, a two-party relationship. This is the parent relationship of marketing. The two interacting parties are a supplier and a customer. Customer usually means external customer. The supplier is the seller, and the seller can be represented by a salesperson, whose task is personal selling. In the latter meaning there is a face-to-face relationship or a relationship via letter, telephone, email, the Internet or other media. In individual market relationships a customer interacts with another individual who is a salesperson, or another employee of the selling organization. Market relationships also exist between companies, industries, regions, countries and groups of countries. When the selling situation is more extensive and complex, the selling activity turns into negotiations. The salesperson becomes a negotiator and the negotiations are often handled by a team from either side.

2.14.2. Retailers Store performance strategies

Christoph Teller, Thomas Reutterer (2008) mentioned the attraction of competing retail locations to two factors only, namely store size and distance between stores and consumers' homes. Huff's model has seen numerous extensions, including price and

service levels, assortment sizes, opening hours or image features as additional attraction factors of retail outlets (Cadwallader, 1975; Stanley and Sewall, 1976; Jennings, 1978; Nevin and Houston, 1980). Although it has been argued in the relevant literature that it significantly affects store choice behaviour, surprisingly few contributions have investigated the relative impact of situational variables (Spiggle and Sewall, 1987; Kahn and Schmittlein, 1989; Ridgway et al., 1990; Laaksonen, 1993; Van Kenhove et al., 1999). In the context of shoppers' evaluations of complex retail environments such as shopping centers, shopping occasion or shopping trip involvement are posited to be of particular relevance (cf. Bloch et al., 1994; Van Kenhove et al., 1999).

Alessandri (2001) affirms that the corporate reputation is formed over time by repeated impressions of the corporate image. Reputation can be diffused through two routes: by communication between marketers and customers, and by word-of-mouth between customers (Caruana, 1997; Yoon et al., 1993). Numerous researchers have recognized the important role of corporate reputation as a valuable asset that allows a firm to achieve persistent profitability, or sustained superior financial performance (Balmer, 1995; Balmer, 2001; Nguyen and Leblanc, 2001; Roberts and Dowling, 2002; Yoon et al., 1993). A number of approaches have been used to determine consumer store choice behaviour.

Belk (1975) suggests that there are five environmental factors that may influence shopping behaviour; physical surroundings, social surroundings, temporal perspectives, task definition, and antecedent states such as temporary moods. Koppelman and Hauser (1978) described five constructs of shopping destination attractiveness; variety, quality, satisfaction, value and parking. According to Hackett et al. (1993), the principal determinants of shopping behaviours are; general evaluation, including safety and quality of merchandise, physical environment, efficiency, including travel distance from home, accessibility, and the social environment, including store atmosphere.

Michelle A. Morganosky, Brenda J. Cude (2000) express in the buyer and seller relationship, trust is frequently considered fundamental. Chow and Holden (1997)

modeled trust as trust in the salesperson, trust in the company, attitude towards product, communication openness, loyalty intention, and loyalty behaviour. Doney and Cannon (1997) defined trust as perceived credibility and identified several antecedents of trust including salesperson expertise, likeability, and similarity to the buyer. Morgan and Hunt (1994) found that trust and commitment served as key mediators in relationship marketing. Geyskens et al. (1998) developed a causal model of antecedents and consequences of trust and found that trust was a mediator in building marketing relationships. More recently, Garbarino and Johnson (1999) found that consumer satisfaction was the mediating construct for low-relational (occasional) customers while trust and commitment were mediators for high-relational (consistent) customers.

Swan et al. (1999) conducted a meta analysis of antecedents and consequences of trust and found that trust positively affected consumer satisfaction, favorable attitudes, purchase intentions, and purchase behaviours. As Jones (1999) has noted, research that has related shopping and entertainment has taken a number of various directions. For instance, researchers often discuss consumer motivations for specific shopping trips. It is commonly argued that people shop for both hedonic and utilitarian reasons (e.g. Boedeker, 1995; Tauber, 1995; Jones, 1999), and that a positive mood can result from consumers pursuing either type of shopping (Martineau, 1958; Ibrahim and Ng, 2002a). Consumers may engage in shopping as a means of socializing with their friends.

2.14.3. Retailer's perception of the customer shopping behaviour

Cele Otnesa, Mary Ann McGrathb (2001) suggests that male and female shopping differs not only in degree, but also in kind. Only a few studies have actually contrasted the way men and women shop for the same types of goods. Fischer and Arnold (1990) observe that men with more egalitarian gender roles participated in Christmas shopping more often than men with traditional gender roles. However, “even when attitudinal, role-demand, and trait-based explanations have been taken into account—it still appears that women are more involved than men” (p. 343).

Andrew J. Newman, Daniel K.C. Yu, David P. Oulton (2002) Using existing in-store CCTV cameras from a major clothing discount retailer, consumers are tracked to detect patterns of behaviour. Analysis of these ‘‘real time’’ data exhibited flaws in the arrangement of customer service facilities, and insight into the problems associated with merchandise return policies. Understanding these customer processes and movement patterns thus helped the retail collaborator maximize the performance of the store. Recording customer behaviour using video footage and computer software from within the retail environment will provide an essential, ‘‘objective’’ record of movement patterns (Newman, 1999 and Church and Newman, 2000).

This technique provides a reliable ‘‘snapshot’’ of actual behaviour, and is therefore a basis for establishing useful and commercial retail strategy. The capture of customer movement using computer based technology (in-store tracking) has been the focus of limited research (Kirkup, 1998), and lacks a developed and robust approach. Analyzing in-store customer behaviour from real-time data a retailer can thus maximize sales volume by arranging, manipulating and customizing the store format.

2.14.4. Retailer loyalty card Strategies

Andrew Smitha, Leigh Sparksa, Susan Hartb, Nikolaos Tzokas (2003) explained the context of loyalty cards appeared to be based on four components: (i) behaviour, (ii) attitude, (iii) cognitive components, (iv) emotion/involvement (Hart et al., 1999). Any consumer focused research would, therefore, have to consider all of these elements and would have to adopt a flexible conceptualization of customer loyalty as a multidimensional concept whose precise dimensions might vary according to context (perhaps accounting for the great variety of attitudinal measures found in the literature since the context often varies). All loyalty schemes offer some kind of reward to the customer.

The greater the degree of patronage, the greater the potential to reap the rewards offered. Beyond this common feature though, reward schemes differ greatly in terms of context, technology, delivery mechanisms and sector (Hart et al., 1999). Some are location based

(e.g. shopping centre schemes) some are retailer-based, some are highly complex operations others amount to little more than a low technology discount card. The potential of loyalty schemes to achieve the aims espoused in the relationship marketing literature (e.g. Gilbert, 1996; Gronroos, 1996) was a subsidiary aim of this research especially as there is some doubt as to whether customers want 'relationships' in this context (Uncles, 1994).

2.14.5. Pricing Strategies

Ruth N. Bolton, Venkatesh Shankar and Detr. Montoya, expressed retailers require new pricing practices to create and sustain a competitive advantage in the marketplace. Having studied successful retailers' pricing practices, Bolton, Shankar, and Montoya (2005) claim that a new approach has emerged, which they call "customized pricing". Successful retailers have developed many different pricing practices that are neither chain nor store wide, such as every day low price (EDLP) and Hi-Lo. Instead, their strategies are customized to take account of additional factors, such as competitive activity, brand strength, and category storability. The implementation of customized pricing is based on the following steps: (1) Understanding key drivers of store pricing; (2) Segmenting market by store format and channel; (3) Neutralizing price as a competitive weapon; (4) Managing promotion intensity to avoid head to-head competition; (5) Creating distinctive categories; and (6) Tailoring prices by market, category, customer, competitor, and brand.

Conventional wisdom is a concept new price methodology. Conventional wisdom says that most retailers use one of two store-wide pricing strategies: "EDLP or "Hi-Lo". An EDLP policy involves offering consistently low prices on many brands and categories and is often perceived to be practiced by some supermarket chains (e.g., Food Lion and Lucky) as well as by Wal-Mart (Shankar and Krishnamurthi 1996). Retailers are challenging traditional "rules" of pricing with prices generated from statistical modeling and data mining. The use of price optimization software has increased gross margin dollars on markdown items for many retailers. Price-optimization software can also help retailers manage non negotiated prices on seasonal items, recommending when prices should be reduced and when products should be sold at full price.

Glenn B. Voss, Kathleen Seiders (2003) Exploring the retailer's approach to pricing and price promotion emanates from strategic decisions related to competitive positioning (Lal & Rao, 1997). Strategic considerations address the extent to which price promotions will be used; if price promotions are to be used, tactical implementation involves the type, timing, frequency, and depth of the promotions (e.g., Krishna, 1994; Kumar & Pereira, 1997; Shankar & Bolton, 1999). As differentiation increases, we expect retailers to follow a less promotional pricing policy. Retailers emphasizing differentiation should shift to image-focused rather than price-oriented communications, resulting in a decrease in price promotion advertising volume. A retailer's scale can be considered within the context of the number of stores managed by the retail firm; that is, holding store size constant, increasing the number of stores increases operational scale.

2.14.6. Functions of Retail Managers and Staff

Todd J. Arnold a, Robert W. Palmatier b, Dhruv Grewal c, Arun Sharma (2008) Extant retail research provides some direction for understanding how chain activities and store manager behaviour drive store performance. Lusch and Serpkenci (1990) demonstrate that store manager work behaviours (e.g., skill sets, motivation) predict not only store manager success but also the success of the retail store. Significantly, this finding moves beyond store manager performance to consider the link between managerial actions and store performance. As Lusch and Serpkenci (1990, pp. 85–86) note, there is “ample conventional wisdom about what makes a store manager successful” but “little [empirical] evidence on whether job processes or outcomes have any direct or indirect impact on store performance”. Similarly, Koene, Vogelaar, and Soeters (2002) demonstrate that the way in which a store manager performs his or her job (e.g., leadership behaviours) drives objective measures of store performance, such as profits and cost.

Maaja Vadi, Maive Suuroja (2006) explained sales performance is like a feeling of apprehension or anxiety of some sort. Pitt and ‘Ram’ Ramaseshan (1989), who investigated the impact of communication apprehension on a salesperson's performance, listed several causes for this apprehension (e.g., lack of communication skills and

experience, new or ambiguous situations); finding that it established an inverse relationship between the level of communication apprehension and the quality of performance. A salesperson's ability to make contact can be developed using visual training, in which observing the selling process from outside will help them to seize the right moment for making contact with the customers.

2.15. Service Quality in Retailing

Service quality in retailing is different from any other product/service environment (Finn and Lamb, 1991; Gagliano and Hathcote, 1994). For this reason, Dabholkar, Thorpe and Rentz (1996) developed the Retail Service Quality Scale (RSQS) (Physical Aspects, Reliability, Personal Interaction, Problem Solving and Organization Policy) for measuring retail service quality. The RSQS has a five dimensional structure of which three dimensions comprise of two sub dimensions each. Studies assessing the applicability of the RSQS have reported encouraging results. Dabholkar, Thorpe and Rentz (1996) replicated their own study and found all the RSQS dimensions and sub-dimensions to be valid in the U.S. Mehta, Lalwani and Han (2000) found the RSQS five dimensional structure appropriate for measuring the service quality perceptions of supermarket consumers in Singapore. Boshoff and Terblanche (1997), in a replication of the Dabholkar, Thorpe and Rentz (1996) study, report highly encouraging results for the RSQS applicability in the context of department stores, specialty stores and hypermarkets in South Africa.

Indian Journal of Marketing October, 2008 refers customer perceived service quality has been increasingly identified as a key factor in building customer relationships and competitive advantage. Gronroos (1984) and Parasuram (1985) define service quality as a measure of how well the service quality in different industries. The focus has been wide ranging, covering most areas imaginable: dental services, tyre retailing, education, medical services, social clubs and rock or country music concerts; and accounting firms. One of the most commonly used approaches in measuring service quality is that of Parasuram, Zeithaml and Berry (1985).

Gail Ayala Taylor, (2001) defines coupon response in services marketers frequently use coupons (Hartley & Cross, 1988; Lovelock & Quelch, 1983) with the hope of influencing consumer behaviour and enhancing firm profitability. Coupons are used in restaurants, hair salons, laundry and cleaning services, film processing and travel industries (Narasimhan, 1984; Peattie & Peattie, 1995). Narasimhan (1984) states, coupons have been found to be effective tools in influencing sales and customer counts at the store level in service industries (Matosian, 1982; Varadarajan, 1984; Chapman, 1986). However, little is known as to whether consumer response to coupons is the same for service purchases as it is for packaged goods purchases. A coupon's impact on two important consumer behaviours, repeat purchase and purchase timing, as well as consumer response via redemption.

2.16. Customer service in retailing industry

Leonard L. Berry, Kathleen Seiders and Dhruv Grewal (2002)) have proposed five types of service convenience: Decision Convenience, Access Convenience, Transaction Convenience, Benefit Convenience and Post Benefit Convenience. According to the authors, the above convenience types reflect stages of consumers' activities related to buying or using a service. Consumers' perceived time and effort costs related to each type of service convenience affect the consumers' overall convenience evaluations. Service convenience is affected by a variety of firm-related factors, including the physical service environment, company branding and a service system design. Individual consumer differences, such as a person's overall time orientation, time pressure, empathy towards the service provider and prior experience also affect convenience perceptions. Ranjay Gulati and James B. Oldroyd, (2005) have observed that although many companies have heavily invested in CRM, in most of the cases the investment has not really paid off. This phenomenon indicates that getting closer to customers is not building an information technology system. James G. Maxham III and Richard G. Netemeyer (2002) have presented an overall satisfaction with the firm, word-of-mouth (WOM) recommendations and repurchase intent at key intervals following two customer- initiated complaints and ensuing service recovery efforts.

Jacquelyn S. Thomas, Werner Reinartz and V. Kumar,(2004) have noted that in spite of huge investments on direct marketing, usage of sophisticated data bases, analytical tools, and targeting individual customers, companies were still facing problems in optimizing their direct-marketing investments. The authors have also expressed their opinion that many marketers try to minimize costs by pursuing only those customers who are cheap to find and cheap to keep. Companies can get better results out of direct marketing if they see it as a single system for generating profits, rather than trying to maximize performance measures at each stage of the process. The authors have also proposed a model called ARPRO (Allocating Resources for Profits) for estimating the impact of a company's direct marketing investments on the profitability of its customer pool. Using the model managers can decide how much to spend on acquisition versus retention of customers, and how companies can allocate funds to different marketing channels.

Rajkumar Venkatesan & V. Kumar (2004) have observed that customer lifetime value (CLV) is rapidly gaining acceptance as a metric to acquire, grow, and retain the "right" customers in customer relationship management (CRM). However, many companies do not use CLV measurements judiciously. Either they work with undesirable customers to begin with, or they do not know how to customize the customer's experience to create the highest value. The challenge that most marketing managers currently face is to achieve convergence between marketing actions (e.g., contacts across various channels) and CRM. Specifically, they need to take all the data they have collected about customers and integrate them with how the firm interacts with its customers.

2.17. Buyer Behaviour

(Kavak & Gumusluoglu, 2007) Consumer behaviour is one of the most stimulating areas in marketing studies. First understanding how and why consumers behave is a great challenge. Human behaviour is based not only on personal characteristics, but also on the psychological, environmental, social and cultural environment that they are submitted. (Marcia Dutra de Barcellos, 2005) However, in general it can be said that customer behaviour is included the technical, economic, demographic, institutional and cultural developments, and thus describes the world the consumers are living in. (Gabiella

Vindigni, Marco A. Janssen, Wander Jager, (2001) Customer's behaviour is defined as human being activity focused on the purchasing, consuming and using of the products and services, by making decisions before and after purchasing (Vladislava Bartoseviciene, Linas Gudonavicius, Gintaras Šaparnis.

Garg, Wansink & Inman, (2007) from Woodruffe (1997) & Hetherington and MacDiarmid (1993) are stated that, different factors and that would affect the behaviour of customers and there are various different aspects to study these behaviours and attitudes. However, some of the factors would be mentioned as follow, which would efficiently influence on the behaviour, attitudes and perception of the customers. Social and environmental issue can affect consumer behaviour as mentioned above, that is consumers incorporate social issue into their purchase decisions by evaluating the consequences of their consumption upon society. Consumer who consider environment important will therefore evaluate the environmental consequences associated with the purchase of products.

Doreen Chze Lin Thanga, Benjamin Lin Boon Tan (2003) Linking the attributes representative of a store's image that influence its patronage has evolved to reflect the tangible and intangible aspects of consumer perception (Lindquist, 1974; Moeli et al., 1991; Erdem et al., 1999; Alexander, 1983; Logue, 1986). Moeli et al. (1991) investigated the relationship between consumer perception and patronage in the context of marketplace variables. The environmental psychology approach by Mehrabian and Russell (1974) has spawned a number of research studies. Donovan and Rossiter (1982) formulate the approach into a S-O-R framework. They suggest that the stimuli (as antecedents) affect the consumers' emotional states whose response may be observed in their retail behaviour such as patronage, store search and in-store behaviour.

Using a stimulus-organism-response (S-O-R) framework, this study examines the S-R relationship of consumer retail behaviour. The S-O-R framework has been extensively elucidated (Bagozzi, 1986) and tested in past research with promising results (Sherman et al. 1997; Sherman and Smith, 1986; Anderson, 1986; Baker et al. 1994). The organism refers to the intervening internal process between the stimuli and reaction of consumer. It

is a process in which the consumer converts the stimuli into meaningful information and utilizes them to comprehend the environment before making any judgment or conclusion. Response is the final outcome or final action toward or reaction of the consumers, including psychological reactions such as attitudes and/or behavioural reactions (Bagozzi, 1986). Depending on the organism process, the resultant emotional state can influence consumer's inclination to continue, curtail or cease his retail behaviour in the store.

Kristina Backstroma, Ulf Johansson (2006) Creating and consuming experiences in retail store environments is the basic concept of 'experiences' is left largely undefined and moreover, seldom analyzed with any regard taken to the unique features that characterize the retail store environment (e.g. Mathwick et al., 2001; Schmitt, 1999, 2003). When focusing on consumption experiences, value perceptions are said to be based upon interactions involving either direct usage or distanced appreciation of goods and services (Mathwick et al., 2001). Pleasurable in-store experiences are often said to reflect different types of hedonic values (e.g. Babin et al., 1994; Bloch et al., 1994; Falk and Campbell, 1997; Holbrook and Hirschman, 1982; Jones, 1999), and to be characterized by intrinsic satisfaction, perceived freedom, entertainment and escapism (Babin et al., 1994; Falk and Campbell, 1997; Jones, 1999; Sit et al., 2003). As Jones (1999) has noted, research that has related shopping and entertainment has taken a number of various directions. For instance, researchers often discuss consumer motivations for specific shopping trips. It is commonly argued that people shop for both hedonic and utilitarian reasons (e.g. Boedeker, 1995; Tauber, 1995; Jones, 1999), and that a positive mood can result from consumers pursuing either type of shopping (Martineau, 1958; Ibrahim and Ng, 2002a). Consumers may engage in shopping as a means of socializing with their friends.

Consumer behaviour is a broad discussed area that refers to the way different types of consumers behave (Meyers-Levy & Maheswaran, 1991). However, in this section, only relevant differences in men's and women's consumer behaviours are presented. There are many factors that influence consumers when deciding upon which products to purchase. For the producer, it is crucial to understand consumers in order to provide them with the right product, but also to market in a correct way. Consumer behaviour is said to differ

between men and women as their needs are different from each other, and therefore, their attitudes towards products vary. According to Meyers-Levy & Maheswaran (1991), since advertising is often aimed at one of the genders, it is interesting to study the difference in handling information between the two. It has been shown that men and women gather information in different ways, and also, they tend to examine the information differently.

Women demand more detailed and thorough information, while men prefer information that is easily gathered and tend to not care for complicated information (Sneath, Kennett & Megehee, 2002). This provides the advertiser the opportunity to design the message and information in different ways. In an article presented by Sanjay (2001), it is argued that advertise to male customers should be within one theme and simple, while the ones aimed to women is preferred to include more important writings. Furthermore, as women process detailed information better than men, they are more sensitive for the content. Therefore, it is not only the advertisement itself, but also the content of it that influences the way it is perceived by male respectively female.

According to Yaccato (2003), it is statistically proven that advertising is more important to women than men. Also, the author believes that since men do not care to investigate the information that an advertisement contains, it is important for companies to find other ways than the traditional advertising strategies in order to reach them. Moreover, when a company knows the consumers' preferences and behaviour, marketing efforts should be put on connecting with them on the preferred level, meaning that companies should not invest in expensive multi-theme, long advertises containing lots of information for their male consumers. However, knowing the consumers' behaviour is not only helpful when advertising, but rather for all communication that the company has with the consumer, namely, face-to-face interactions, offers, consumer-supplier relationships etc.

Rosemary D.F.Bromley, Colin J.Thomas (1993) has mentioned the contemporary city is to a substantial degree articulated in relation to retail facilities, and this has important consequences for the nature of city growth and associated opportunities and constraints for urban planning. Shopping trips are also a major component of spatial behaviour in the

city, since the vast majority of the population is involved in some direct or indirect way with shopping activities. For most practical purposes, shopping is necessary to obtain the great majority of the goods and services required by modern households. For some, shopping also forms a necessary part of social interaction, while the concept of shopping as an increasingly leisure-based activity.

2.18. E-RETAILING

Charles Dennis (2005) The business of *e-retail* has been defined as the sale of goods and services via Internet or other electronic channels, for personal or household use by consumers (Harris and Dennis, 2002). This definition includes all e-commerce activities that result in transactions with end consumers (rather than business customers), i.e. *B2C* rather than *B2B*. Some e-marketing activities that do not directly involve transactions, such as providing (free) information or promoting brands and image, are considered to be part of B2C but are not normally considered as being within the scope of e-retail. E-Retailing is implementing in different sectors like books, music and *DVD* movies, groceries, sex products, games and software, electronic and computer equipment, travel, and clothes.

Tino Fenech and Bill Merrilees (2004) explained about e-retailer, can sell equally well to anywhere in the country and even overseas. Second, size does not matter – small e-retailers can compete on equal terms to large ones, can reach a larger audience than the high street and can be open 24 hours a day. For example, the independent, northern UK-based Botham's of Whitby has been a pioneer of e-retailing. There are many other advantages. The socio-demographic profile of e-shoppers is attractive to many retailers, with higher-than-average education, employment and disposable income levels. In theory at least, online selling saves on the wages costs of face-to-face sales people and the costs of premises.

The savings may be less than expected, though, as there are still costs in Internet customer contact, packaging and delivery can be more expensive to provide. Perhaps a more substantial advantage is the ease with which e-retailing integrates with customer

relationship management (CRM) and micro-marketing systems – identifying and treating the customer as an individual. This, together with the easier provision of product information, leads to greater opportunities for cross-selling and selling up. Finally, the late entrants into e-retailing are largely being driven by *‘if we don’t, our competitors will’*.

Steve Burt, Leigh Sparks (2003) reviewing the impact of e-commerce upon fixed store locations. It concentrates on the business to end-consumer (B2C) view of e-commerce, often termed e-retailing, rather than the wider, more holistic, perspectives which would incorporate the business-to-business (B2B) market or even broader conceptualizations of ‘new commerce’ (Dawson, 2001). E-retailing requires a change in some of the traditional shopping behaviour processes (e.g., information search, purchase method, product possession). In a world dominated by jargon, we should remember that e-commerce is shorthand for electronic commerce.

Soyeon Shim, Mary Ann Eastlick, Sherry L. Lotz, Patricia Warrington (2001) says purchasing via the Internet is one of the most rapidly growing forms of shopping, with sales growth rates that outpace buying through traditional retailing (Levy & Weitz, 2001). Internet shopping is a new mode of shopping involving various and seemingly novel types of perceived risks (Eastlick, 1996) the consumer is likely to place added importance on searching for information when using this channel. Because the Internet is perceived as a powerful tool for consumer information search, marketers remain highly interested in understanding the relationship between consumers’ use of the Internet for information search and their choice of channel (e.g., brick-and-mortar stores vs. Internet) for the final purchase.

Manfred Krafft. Murali K. Mantrala Using technology in retailing is not new one, it is seen in backroom operations [e.g., in freight management systems, automated stock control, electronic purchase-order systems, efficient customer response (ECR) systems, electronic article surveillance (EAS), and e-CRM], in front-of-store control [e.g., automated temperature and lighting systems, electronic shelf labeling (ESL) systems, and

now RDIT], and also in interactions with final customers (notably through checkout scanning, EFTPOS payments, virtual stores, and on-line sales). Historically, much of this has been hidden from view, but the role of technology is now more evident to customers. At the same time, they are themselves becoming savvier. Recent developments illustrate the point.

2.19. Future of Retailing

Stacy L. Wood (2002) expects great retailing changes in the next ten years. What do consumers expect with increasing innovation in retail technology and the large-scale implementation of e-commerce formats, shifts in consumer behaviour can be categorized as social change. Sociologists have long studied the interaction of social change and technology, focusing on society members' characteristics to help predict the future. One characteristic of enduring influence is age. In this research note, we consider consumer expectations regarding the evolution of retailing, with an emphasis on expectations of social change and the variance of such expectations by age cohort. Social change, a fundamental concept in sociology, can be defined as a series of transformations in a society's patterns of thought, behaviour, relationships, and institutions that occur within a discrete social system (Sztompka, 1993). Computer-oriented retail formats are expected to shift many marketplace patterns, such as norms for information search, guided decision heuristics, social interactions between buyer and seller (or among buyers), perceptions of time and money, and hedonic/utilitarian aspects of shopping. It is not unusual for technological innovations to trigger social shifts.

Recent developments illustrate the point. Technology is increasingly involved in almost everything we do as consumers. Electronic gadgetry surrounds us in the form of video, audio, mobile, wireless, and computer devices: from TVs to PCs and notebooks, from mobile and cell phones to smart phones, from Palm Pilots to PDAs, from digital cameras to GPS navigation devices and satellite radio. It is also evident that consumers want to exert more control in relation to their use of technology. This is seen in the acceptance of "user-directed" technologies, which give consumers the flexibility to make as much use of a technology as they wish. The Web is a prime example: consumers browse from site

to site at their discretion, and navigate through sites in ways that best meet their personal needs. In-store, user-direction means a readiness to access touch-screen information kiosks and ATMs, and to make use of self-service U-Scan checkout systems and smart trolleys.

2.20. CRM IN RETAILING

Joan L. Andersona, Laura D. Jollyb, Ann E. Fairhurstb (2007) mentioned “Companies recognize that customer relationships are the underlying tool for building customer value, and they are finally realizing that growing customer value is the key to increasing enterprise value” (Rogers, 2005, p. 262). Retail companies seek to maximize relationship with customer. Thus a shift in organizational thinking is necessary as retailers embrace a “customer-centric” focus and implement strategies to support this focus. To address this customer focus, discussions of data management and availability, data warehousing, and data mining are occurring at various levels within retail companies from the boardroom to the store management level. In tandem with this shift toward customer focus and data-based decision making, customer relationship management (CRM) has emerged to allow retail companies to respond to shifting customer needs and wants using analytical tools in conjunction with their enterprise wide databases.

Frank Badillo refers most CRM programs in the retail industry have focused on only a few pieces of the CRM puzzle, such as creating an incentive program and collecting shopper data etc. data mining capabilities need to be built through partnerships with manufacturers. Customer’s multi-channel, ‘Stealthy’ value (difficult for competitors to match) sought by different segments must be discovered, assembled across departments and functional areas, and delivered.

Payne and Frow (2005) identified three alternative perspectives of CRM: the implementation of a specific technology solution project, the implementation of an integrated series of customer-oriented technology solutions, and a holistic approach to managing customer relationships. They adopted the broad, strategic perspective and developed the CRM conceptual framework for strategic implementation. The differences

between business to business and business to consumer relationships have focused on forms, sizes, dependency of relationships (Gruen, 1995), on levels (firm or individual) and structures of relationships (Iacobucci and Ostrom, 1996). Stone et al. (1996) also pointed out that binary relationships (in which a customer is 100% loyal to one company or to another) are rare and companies are vulnerable to switching behaviours in marketing.

Chieko Minamia, John Dawson b,c, (2008) defines early in the conceptualization of CRM in the field of marketing, Parvatiyar and Jagdish N Sheth (2001) explored the conceptual foundations of CRM based mainly on the relationship marketing concept. They attributed the development of CRM to the changes of business circumstances with IT, especially innovation of firms' interfaces with customers and total quality philosophy associated with cost reduction efforts. They regarded loyalty and customer satisfaction as one aspect of CRM performance, in addition to strategic and financial goals. They explain that the overall purpose of CRM is to improve marketing productivity and to enhance mutual value for the parties involved in the relationship.

Roy Rajesh (2009) from last few years retailers are using technology related retail transactions. Investment in technology just started to take off in this sector. Retailers are first planning to put up a robust transaction system in place which includes a POS and bar coding system, merchandise management system and a basic transaction and accounting system. Following this, IT investment is expected in areas like world class supply chain and logistics management, business intelligence, CRM etc. Technologies like Bar coding, RFID, ERP, Point of sale solutions, Mobile applications etc are widely using all kinds of retail sectors. Earlier small stores which sell grocery, clothing items and other household items –most of them do not even have a computer. In relatively larger stores, perhaps the first process which gets computerized is the billing process. Now almost all every large retailer organizations and some of small retail centers are using technology.

2.21. Customer loyalty programs

Johnson (1998) describes a loyalty program as any marketing program that through a long-term interactive relationship improves the lifetime value of current customers. There are five elements that can typically be detected in loyalty programs, namely a database, an enrolment process, rewards, value-added or soft benefits and customer recognition. Generally, the definitions of customer loyalty have three things in common. Firstly, they recognize a group of customers that form the target and the membership of the program. Secondly, members should be rewarded or gain benefits through the program. Thirdly, they emphasize the interaction between the marketer and the member. Blomqvist et al. (2000) explains the concept of a loyalty program to be a formalized association of customers who fill a certain criteria that the company has set.

Most of the Retailers of implementing loyalty programs to obtain customers permanently. Customers make some kind of effort to acquire the membership and in return they receive benefits that are only available for the members of the loyalty program. Butscher (1998) adds that some clubs are assigned to establish emotional relationships, while others are content with to build long and profitable relationships without dimensional requirements. One of the most distinguished insights into loyalty was provided by Dick and Basu (1994, pg 102), who cited loyalty as “the strength between relative attitude and repeat patronage”. Key to understanding this is the correlation between behaviour and attitude. However this is not significantly sufficient as the perception could ascertain changes in behaviour and attitudes in the future. It has been suggested by scholars that loyalty is an emotional concept, Jenkinson (1995, pg 116) resists defining loyalty in behavioural terms and notes the concept of loyalty as “the reflection of a customer’s subconscious emotional and psychological need to find a constant source of value, satisfaction and identity”. This advocates that loyalty is an emotional concept created by trust. Humby and Hunt (2004, pg 17) have commented that “loyalty is an emotional response based on empathy”.

Loyalty to the brand (measured by repeat purchase) is the result of repeated satisfaction that in turn leads to weak commitment. The consumer buys the same brand again, not

because of any strongly-held prior attitude or deeply-held commitment, but because it is not worth the time and trouble to search for an alternative” (Uncles, Dowling and Hammond, 2004, pg 94). Grisaffe (2001) argues that loyalty is not just about behaviour, “If a buyer has a cognitive rule, ‘buy the lowest priced brand’, and brand B is always lowest, they look behaviourally loyal to B over time, until brand A enters the market at a lower price. Then the customer switches to show repeat purchase of A, until market prices change again. To which are they loyal, the brands, or the decision rule. True loyalty is not just behavioural”.

2.22. The objective of customer loyalty programs

The introduction of the loyalty program back in the 1970s had the intention to build a stronger relation between the supplier/retailer and its customers. The concept was driven by the vision of creating “*better*” customers and differentiating the organization from the competitors on the market (Håkansson, 1982). Firms usually have common expectations of the outcomes for the loyalty program, which has to do with maximizing the profit. Dowling and Uncles (1997, p.4) divide the expected outcomes into three parts:

- Maintain sales levels, margins and profits (a defensive outcome to protect the existing customer base).
- Increase the loyalty and potential value of existing customers (an offensive outcome to provide incremental increases in sales, margins and profits).
- Induce cross-product buying by existing customers (either defensive or offensive).

Butscher (1998) also divides the goal of a loyalty program into three sections –core goals, main goals and secondary goals. Core goals are to increase revenue, profit or market share. Main goals could be such as building a strong database, to win new customers and to enhance the communication between the company and the customers. Secondary goals as Butscher (1998) describes could be to increase visit, purchase and usage frequency or to improve product, brand and company image.

2.23. Types of loyalty programs

Loyalty programs are very essential to make customers into permanent customers. There is a big variety of different kinds of customer loyalty programs that are usually adapted to and dependent on the nature of the business the company finds itself in. However, a majority of the loyalty programs can be divided into two main categories. In the first one, the programs have the intention to offer increased value, for example extra service or faster service. The second category of customer loyalty programs is based on price discounts, bonuses, rebates and special offers. In both cases, the objective is to keep the customer in the company, but with different methods.

2.24. Customer Behaviour relationship and Relative attitude

Loyalty from behavioural perspective has traditionally used measures such as proportion of purchase, purchase sequence and probability of purchase. These measures have been criticized of being static and not taking into consideration the factors underlying the repeat purchase. The behavioural definitions alone are therefore insufficient to identify why loyalty is developed (Dick and Basu, 1994). Dick and Basu (1994) argues that there are two issues that are required for loyalty, which are favorable attitude that is high compared to potential alternatives and repeated patronage (repeat purchase behaviour/re-investment). Thus, the most important matter is to consider loyalty as the relationship between the relative attitude toward an entity and patronage behaviour. Attitudes have commonly been related to behaviours, but it is essential to notice that a consumer may hold a favorable attitude toward a brand, but not repetitively purchase it because of greater relative attitude toward other brands. To further point out, both relative attitude and repeat patronage can be at two levels – high and low.

2.25. The relationship among customer satisfaction, loyalty, retention & profitability

In every market-oriented company customer satisfaction has to be considered because it is one of the most important outcomes of all companies marketing activities. Satisfied customers give the company a possibility to expand and to gain a higher market share which in the long run will lead to an improved profitability. (Kandampully et al, 2000). A

central ingredient in relationship marketing is to have loyal customers because of the benefits of retaining customers and to continuously work with developing long-term relationships. (McIlroy et al, 2000). Companies that want to improve their relationships with their customers have to treat them fairly, adding extra value to their service and treat each customer as an individual with customized offers to each of them. It is also very important that the company at the same time is working to keep their customers away from the competitors tempting offers, i.e., customer retention. It is very important for the company to keep getting the customer back to the company because customer retention has a direct impact on profitability, as mentioned before it can be five to ten times more expensive to obtain a new customer than to retain one (McIlroy et al, 2000) .

An investigation made by Hallowell (1996) shows that there is a connection between customer satisfaction, customer loyalty and profitability. This investigation was made in a large American bank with twelve thousand customers in a large geographical area. Hallowell's (1996) investigation indicated that improvement of customer satisfaction leads to an increased profitability. He came up with that, it exist a relation between satisfaction, loyalty and profitability. Hallowell (1996) emphasizes that this conclusion don't say that the company should try to satisfy all of their customers, because some customers will never be satisfied or will never be profitable for the company. The company should therefore concentrate their efforts on the customers that they can satisfy in a profitable way. Hallowell (1996) also states the customers that the company can satisfy most likely will stay with the company for a long time which will lead to an increased profitability for the company.

2.25.1. Customer Satisfaction

Customer satisfaction can be defined as a result of a subjective valuation whether consumption fulfill or exceed expectations according to Bloemer et al (1998). This definition is based on the assumption that satisfaction is a condition that happens when expectation is matched to the actual result. (Bloemer et al, 1998 Rampersad 2001) state that customer satisfaction is a key issue for all organizations in both the private and public sectors. To survive, the company must continuously understand and provide what

the customer wants, both external and internal customers. External customers are the actual customers who buy the companies' products/services and internal customers are the people who work for the company. According to McIlroy et al (ref in Lowenstein, 1995) customer satisfaction is a very important concept to consider when developing a customer club. Because satisfaction is a measure of how well a customer's expectations are met while customer loyalty is a measure of how likely a customer is to repurchase and engage in relationship activities. But it is very important that companies are aware of that a loyal and satisfied customer can very easily change to a competitor if they are offered a better value or quality.

There is no guarantee that a satisfied customer will return to the company but it is almost certain that a dissatisfied customer will not return (McIlroy et al, 2000). To make customer satisfaction effective, everyone within the organization should consider continuous improvement as something normal. According to Rampersad (2001) there are a few central questions a company should ask themselves continuously: which products or services do we provide? Who are our customers? What do they want? What are their needs and expectations? Is it measurable? Which critical processes need improvement? By answering these questions continuously, the customer will be better understood, and the product or service will be better in tune with the market demand.

2.25.2. Customer Loyalty

Customer loyalty is although a more complex concept than that. By screening the theories, the authors have chosen to focus on three different theories: Now a days Customer Loyalty programs are mandatory for every Retail industry in the world. Three drivers of retention (Gus-tavfsson, Johansson and Roos, 2005), Relative attitude and behaviour relationship (Dick and Basu, 1994) and the Conceptualization of customer loyalty (Dowling et al., 2003). Customer loyalty from Czepiel's (1990) perspective is a notion to describe the end result of a relationship between the company and the customer. In order to gain loyalty, the company can provide incentives that will increase the value for the customers and in that manner create buying fidelity among them (Blomqvist et al., 2000). Dowling et al (ref. to Oliver, 1997) defines customer loyalty as "a deeply held

commitment to re-buy or re-patronize a preferred product/service consistently in the future, thereby causing repetitive same-brand or same brand-set purchasing despite situational influences and marketing efforts having the potential to cause switching behaviour”. (Dowling et al, 2003). A loyal customer can mean a consistent source of revenue over a period of many years. However, this loyalty cannot be taken for granted. It will continue only as long as the customer feels they are receiving better value than they would obtain from another supplier. (McIlroy et al, 2000). Werner Reinartz and V.Kumar (2002) explained many proponents of the loyalty movement argue that customers who stick to one company do so because the cost of switching to another supplier is too high.

2.25.3. Customer Retention

According to Gustavfsson et al. (2005), the complexity of customer loyalty can be explained through focusing on three prominent drivers of retention: *overall customer satisfaction*, *affective commitment*, and *calculative commitment*. Customer satisfaction is an overall evaluation of the company’s performance over time. It typically derives from product and service quality and the price. Commitment can however, occur from either affective or calculative grounds. Affective commitment is an emotional factor that the customer creates with the retailer through repeated product or service usage and results in a higher level of trust. Calculative commitment, on the other hand, contains a rational view and is based on the economic dependence of a product due to a lack of choice or switching cost, which in turn creates loyalty (Gustavfsson et al. 2005).

Customer retention is a must in relationship marketing, If the company is not able to keep their customers and to build long-term relationships they will fail with their marketing activities. In order for a company to keep their customers a research study made by Vavra et al (1998) shows that it demands a high-quality customer service and well-managed strategically delivered formal and informal communications. (McIlroy et al ref. to Vavra et al, 1998). McIlroy et al (ref. to Morris et al, 1999) also state that customers will not stay with a company just because of the discounts offered or the loyalty program that is available. Companies have to understand their customer perceptions and expectations,

and offer the customers what they want, when they want it (just-in-time), a perfect delivery each and every time with the desired levels of service that appeal to the consumer. Through offering the customer what they want increases the possibility of customer retention (McIlroy et al, 2000).

2.25.4. Profitability

A loyal customer that is satisfied with the company is also more likely willing to pay a little bit more for a good service and they will not go to a competitor so easily (McIlroy et al, 2000). If a company is able to retain customers it will also lead to reduced marketing costs which will lead to an increased profit. Customers that return to the company and who are pleased with the company are also more likely to recommend the company to their friends and colleagues, they are a great source of word-of-mouth advertising (McIlroy et al, 2000). In order for a company to be profitable they have to retain old customers and increasing what they spend because it is more expensive to sell to new customers. The longer a customer stays with a company, the more profitable they become, they use more of a company's services over time and they are usually willing to try new products.

2.26. CUSTOMER CLUB/MEMBERSHIP

The concept customer club is “a gathering name of different, more or less formalized gatherings of individuals where the common denominator for membership is that the individual is or has been a customer to the company”. (Elinder, 1993, p 21) .A customer club is a good strategy for companies that want to increase their customers’ loyalty and create long-term relationships. Many companies try to create switching barriers with the help of their customers clubs. The switching barrier creates a feeling where the customer feels that if they leave they will lose what they have earned so far and future offers from the company (Söderlund, 1997). One good example is many airline companies’ loyalty program. The switching barriers consists in this case of bonus points that the customer collects every time they fly with the company, and when they reach a certain level they will receive a gift for example a free trip.

The customer does not change to a competitor so easily because then they will lose their points, the possibility to a free trip and other future offers (Lindbom & Jonsson, 1992). Therefore it is hard for competitors to influence loyal customers to change to their company, i.e. customer clubs are an effective way of shutting out competitors (Gummesson, 2002). The customer club gives the company the possibility to receive information about their customers buying behaviour. It also gives the company the possibility to measure how effective a marketing campaign is and which activities the customers appreciate (Elinder, 1993). To develop a customer club demands a detailed plan and concentrated work for the company. There are certain factors that the company has to consider and take decisions about before starting the customer club (Elinder, 1993, Lindbom & Jonsson, 1992).

2.27. CUSTOMER CLUB OBJECTIVES

According to Elinder (1993) there are two objectives with a loyalty program, the main objective is to keep and develop existing customers relations, which will lead to that they will buy more frequent, they will buy more at each time and they will stay longer with the company. The second objective for the company is to find out how to reach new customers and to create a relationship with them. If the company is able to reach those objectives their profit will increase, because the marketing costs will decrease when the marketing is mainly focused on the existing customers. (Elinder, 1993). A loyalty program very often also has other goals as for example creating databases, establishing alliances, assisting brand PR, be able to see which customer is profitable and decide what kind of marketing activities to use to each customer (Dowling et al, 2003).

A study made by Stauss et al (2001) support these statements, their essential result with the study was that a customer club can, not only obtain an indirect retention effect for organizations because of the use of an improved customer data base, but direct retention effect actually can be achieved with regard to higher relationship satisfaction and customer retention. Dowling et al (2003) state that there are two goals of customer loyalty programs that stands out. One is to increase sales revenues by raising purchase levels and/or raising the range of products that are sold. The second aim is, by building a closer bond between the brand and the existing customers, to maintain the current

customer base. Loyalty programs have become popular because if the company is able to achieve either of these two goals their profit will increase significantly.

2.28. BENEFITS OF MEMBERSHIP PROGRAM

The idea of a customer club is to make it easier to sell to existing customers and to create a bond between the company and the customer according to Elinder (1993). In order for a company to reach their customers in the best way they have to consider what kind of customer club they want to have. A re-buy in a long-term relationship also demand less effort from the customer because the company already know them, what they expect and demand which will increase the service. But it also demands less effort from the company because they do not have to learn to know the customer which cost both time and money (Elinder, 1993).

In order for a company's customer club to be effective it has to give their members benefits. These benefits have to match or hopefully exceed the customers' expectations so that the customers feel that it is worth the effort to be a member. The club also has to have a simple and flexible structure so that it is easy to understand for the customer. It should also be able to handle with a minimal effort from the company and developed without big investments (Elinder, 1993).

According to Gummesson (2002) there are three main reasons with customer membership for companies:

- Reward the customers for their loyalty and there by strengthen the relation between the company and the customer.
- If competitors offer their customers a membership then everybody has to do it, otherwise they might slip behind.
- Get more information about the customer and build up a database. This gives the company a better understanding about the customer and gives the possibility to individualize offers.

CHAPTER -3

RESEARCH

METHODOLOGY

3. RESEARCH METHODOLOGY

The present chapter describes the research methodology used for this study. It includes the research process, purpose, approach, strategy, sample selection, data collection, research variables and data analysis methods. It also considers validity and reliability issues which will be discussed to follow the quality standards of the research. Moreover the chapter discusses earlier studies pertaining to retail marketing.

3.1. RESEARCH PROCESS

Research process is an integral part of every research project. Research process deals with the ways and strategies used by researcher to understand the research scenario. It involves dedicated system of scientific methodology that can be used by researchers to arrive at the right conclusions. Research can be performed in different ways. However, research is that which involves a sequence of activities that are highly interrelated and that together constitute the research process. It is not possible to state that the activities in the research process always follow a straight line; however, it is possible to describe a common pattern, which is visualized in figure (Zikmund, 2002). The research process is cyclical since conclusions from the study often generate new problem and ideas that need to be further investigated (Ibid). In this study the research process has to be made in order to fit to the relationship strategies of retailers with customers.



Figure3.1: Research process (Zikmund, 2002)

3.2. RESEARCH PURPOSE

Research can also be classified into different types. Saunders, Lewis & Thornhill (2003) argue that research can be classified into exploratory, descriptive or explanatory while Cooper and Schindler (2003) categorize it as descriptive and causal. Essential difference between descriptive and causal research lies in their objectives. If research is concerned with finding out who, what, where, when, or how much, then the study is descriptive. In causal study, researcher tries to explain the relationship among variables. Research is also classified in terms of their purpose. According to Yin and Zikmund (2002), research can be classified into three types: they are exploratory research, descriptive research and explanatory research.

3.2.1. Exploratory research

Exploratory research is conducted to clarify and define the nature of a problem, where the purpose is to provide insight and understanding, not to provide conclusive evidence. Usually, exploratory research is conducted with the expectation that subsequent research will proceed (Ibid). Exploratory research is characterized by its flexibility. When a problem is broad and not specifically defined, the researchers use exploratory research as a beginning step. By an exploratory research we mean a study of a new phenomenon.

Exploratory studies are a valuable means of understanding what is happening; to seek new insights; to ask questions and to assess phenomenon in a new light (Yin, 1994). Exploratory research has the goal of formulating problems more precisely, clarifying concepts, gathering explanations, gaining insight, eliminating impractical ideas and forming hypotheses. It can be performed using a literature research, surveying certain people about their experiences, focus group and case studies. Exploratory research may develop hypotheses, but it does not seek to test them (Darabi, 2007).

3.2.2. Descriptive research

The major objective with a descriptive research is to describe something, such as populating or phenomena (Zikmund, 2000). When a particular phenomenon is under study, the research is needed to describe it, to clarify and explain its inner relationships and properties (Huczynski and Buchana, 1991). The descriptive research will portray an accurate profile of people, events or situations (Robson,

1993). In academic research, descriptive research is stricter than exploratory research. Descriptive research in contrast with exploratory research defines questions, people surveyed and the method of analysis prior to beginning of data collection. In other words, who, what, where, when, why and sometimes how the research aspects should be defined. Such preparation allows one the opportunity to make any required changes before the process of data collection has begun. However, descriptive research should be thought of as a means to an end rather than an end itself (Yin, 1994).

3.2.3. Explanatory research

When the focus is on cause-effect relationships, the study can be explanatory explaining which causes produce which effects (Yin, 1994). Our concern in causal analysis is how one variable affects, or is “responsible for,” changes in another variable. The stricter interpretation of causation is that some external factor “produces” a change in the dependent variable. Explanatory research which is ground in theory is another research purpose type, and the theory is created to answer why and how questions. In business research, sometimes we find that the cause-effect relationship is less clear. We are more interested in understanding, explaining, predicting and controlling relationships between variables than we are in detecting causes. Normally exploratory and descriptive research is executed first and then the casual research attempt to show that when one thing is done, another thing will follow (Zikmund, 2000). Explanatory studies go beyond description and attempt to explain the reasons for the phenomenon that the descriptive study is only observed. In an explanatory study, the researcher uses theories or hypotheses to represent the forces that cause a certain phenomenon to occur.

“There is possibility to have more than one purpose in a study and the research purpose can be made of two or all of three main categories of research purposes” (Saunders et al., 2000). This research purpose and research questions indicate that this study is mainly descriptive and explanatory. It means that we are going to answer a “what” question and also find out how casual relationship between variables in our conceptual framework will be established. Descriptive research was used when asking questions about the CRM approach. Explanatory research was used when asking questions about need of CRM practices and functionality. Explanatory study is giving solutions for Hypothetical questions.

3.3. RESEARCH APPROACH

The methods of research approach can be divided into two types; the deductive and the inductive approach. The deductive approach is where hypothesis is developed from the theory and where the research strategy is designed to test the hypothesis. It does so, by establishing a cause and effect relationship between two or more variables. This is however done without understanding the meanings that humans attach to their behaviour (Saunders, Lewis and Thornhill, 2003). The inductive approach, on the other hand, begins with data. It develops an empirical generalization that describes patterns of that data and it seeks to identify or develop a theoretical proposition that is consistent with those patterns (Schutt, 1996). The deductive approach owes more to positivism and inductive approach more to phenomenology.

This research study approach is deductive, as first the hypothesis is developed then the research questions are developed, then research strategy is designed and research questions are answered accordingly. Hence, we can say that the research approach is deductive.

On the other hand there are two different research approaches to consider: Quantitative and Qualitative (Cooper and Schindler, 2003). Quantitative research methods usually involve large randomized samples, more application of statistics, and few applications of cases demonstrating findings. The objective of quantitative research is to determine the relationship between one thing (an independent variable) and another (a dependent variable) in a population. Further, quantitative methods are often used within natural science, and the aim is usually explanatory to explain casual relationships, to facilitate generalization and also to predict the future (Cooper and Schindler, 2003). In a quantitative approach the conclusion is based on statistical data (for example profit or the quantity of sold items). It is a formalized and structured way of working where the researcher is a spectator and not a part of what he is studying. Qualitative research methods focus on providing a complete picture of the situation with the aim of increasing the understanding of social processes and interrelations. The main purpose of qualitative approach is to create a deeper understanding of the research problem and it is known for flexibility, insignificant steering by the researcher and openness for new knowledge and understanding. In a qualitative study a clear purpose is set and through gathering information the researcher hopes to get a

deeper understanding about the problem. The researcher is a part of the study where he tries to understand the problem from the inside (Holme & Solvang, 1997). Patel and Davidson (2003) state that qualitative data is of more personal character where words and actions are of importance instead of statistics as quantitative data.

This thesis is based on quantitative research approach, because the study believes that quantitative methods will answer the research questions in the most suitable technique. Primary data is collected through interviews and survey from both the retailers and its customers. The study found the perception, behaviour and attitudes of the customers as well as retailers about CRM practices and its effectiveness. Based on the research problem the motive with this research thesis is to create a deeper understanding of the research problem and how the Customer Relationship Management strategies are implemented in Indian retailing industry. Data collection is not based on statistics but on personal information and other alternatives.

3.4. OBJECTIVES

The objectives of the study are addressing the purpose of the investigation. Objectives module flows naturally from the problem statement, giving the specific, concrete, and achievable goals. The research objectives section is the basis for judging the remainder of the proposal and ultimately the final report (Cooper and Schindler, 2000).

3.4.1. Broad Objective of Research Study

To analyze the CRM perspective for retailers and how the retailers maintain relationship with customers in this competitive marketing environment of organized retail sectors in India.

3.4.2. Specific Objectives

- 1) To study the customer perception as well as consumer buying behaviour towards shopping in organized retail outlet.

- 2) To analyze the Customer Relationship Management (CRM) strategies and its practices in major retail organizations across the world a specific focus on select Indian retail firms.
- 3) To analyze various loyalty programs implemented in select organized retail firms as a part of their Customer Relationship Management (CRM) strategies.
- 4) To analyze the use and effectiveness of Information Technology (IT) in organized retail Industry in India retailing.
- 5) To suggest a suitable model for effective implementation of Customer Relationship Management strategies in Indian organized retail industry.

3.5. RESEARCH HYPOTHESES

When a proposition is formulated for empirical testing we call it a hypothesis (Cooper and Schindler, 2000). Hypothesis is a statement that assumes the relationship between two or more variables. Hypothesis can be divided into two types: one is Null hypothesis and second one is Alternative hypothesis. The null hypothesis attempts to show that no variation exists between variables or that a single variable is no different than zero. The alternative hypothesis is in hypothesis testing, proposition that is accepted if the null hypothesis is rejected. Hypothesis for the master thesis area:

- H1) Customer perception of product selection substantially varies across the cities.
- H2) Accessibility, Technology and good interaction with customers are the important features for customers to choose the outlet for shopping.
- H3) The product quality plays vital role in bringing out overall customer satisfaction.
- H4) The desired product availability plays vital role in bringing out overall customer satisfaction.
- H5) Customer income level substantially impact on holding loyalty card program.
- H6) Membership card program creates long term relationship with customers.
- H7) The level of customer satisfaction is higher among membership card holders.
- H8) Information Technology (IT) infrastructure in retail business influences to maintain good relationship with customers.

3.6. RESEARCH DESIGN

The research design constitutes the blueprint for the collection, measurement and analysis of data. Research design is the plan and structure of investigation so conceived as to obtain answers to reach 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 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 (Cooper & Schindler, 2003). In fact, the choice of research design must be appropriate to the subject under investigation. “A good research design will ensure that the information collected will be consistent with the objectives of the study and that the procedures regarding data collection is accurate and efficient” (Cooper & Schindler, 2003).

3.7. Research Variable

The term variable is used as synonym for ‘construct’ or ‘property’ being studied. According to this, a variable “is a symbol to which numerals or values are assigned”. Distinction of variables is necessary in a research to reach the research questions or hypothetical tests. Researchers are very much interested in relationship among variables (Cooper and Schindler, 2003). The present research has used three types of variables:

- a) Independent Variable: is a specialty from physical and social environment that is accepted after the selection, interference or modification by a quantitative researcher so that its impact may be observed on other variables (dependent variable).
- b) Dependent variable: is a variable in which changes occur under the impact of independent variable.
- c) Moderating variable: a moderating variable is a second independent variable that is included because it is believed to have a significant contributory or contingent effect on the originally stated dependent-independent variables relationship (Cooper and Schindler, 2003).

In this research study, CRM strength in retail i.e. People, Process, IT (Information Technology), relationship Strategy, quality products, appropriate services, infrastructure facilities, loyalty program benefits, offers and discounts are considered as independent variables and CRM Effectiveness (success) like satisfaction, loyalty, retention are considered as dependant variables. Moreover, organization size, age, income and CRM implementation status are considered as moderating variables.

3.8. Research Strategy

Research strategy will be a general plan of how researcher will go about answering the research questions that has been set by researcher. It contains clear objectives, derived from research questions which specify the sources from which research is intended to collect data and consider the constraints that researcher will inevitably have such as access to data, time, location and money, ethical issues (Thornhill et.al.2003). According to Yin (2003) there are three common research strategies that are used in empirical studies: Surveys, experiments and case studies. Yin (2003) states that when choosing strategy there are three criteria to motivate the choice, type of research question, what kind of control in demand and focus on today's events.

3.8.1. Survey

Survey is popular method and common strategy in business research. A survey means that the researcher does an investigation on a large delimited group with the help of a questionnaire or an interview. Survey investigations make it possible to gather the exact information the researcher is looking for and it is often used to answer questions like what, where, when and how (Patel & Davidson, 2003). In surveys, the collection of a large amount of data from a sizeable population in a highly economical way is allowed. Most often, questionnaire data is standardized, comparison is easy and also easily understood.

3.8.2. Experiments

Through experiments it is possible to study certain variables and to investigate what could affect these variables, one example of an experiment could be to investigate how marketing efforts affect sales. In general there are two different types of variables in experiments to take into consideration, independent (X-variables) and dependent (Y-variables). When the different variables are decided, experiments are made on

experiment groups and on control groups in order to see if and how the independent variables affect the dependent variables (Wiedersheim-Paul & Eriksson, 1997).

3.8.3. Case Study

A case study answers questions about how something is and why it looks that way, it focuses on current facts and studies the individual case. A case study can either be a single or a multiple case study. When working with a single case study a single entity is investigated. In a multiple case study several different cases are investigated which give a more robust study with an increased validity. A multiple case study also gives the opportunity to compare cases (Yin, 2003).

Since the aim of this research is to investigate the customer relationship strategies in retailing business. For this study, survey strategy is appropriate. This survey method will be employed to find the relations between customer relationships programs to test the relationship strategies between retailers and customers of some variables and also to test some predefined hypotheses among a great number of businesses. For this purpose the survey is advantageous when the research goal is to estimate about some outcomes, so we select survey as this research strategy.

3.9. PILOT STUDY

The data gathering phase of the research process typically begins with pilot testing. Pilot testing may be skipped when the research tries to condense the project time frame. A pilot test is conducted to detect weaknesses in design and instrumentation and provide proxy data for selection of a probability sample. It should therefore draw subjects from the target population and simulate the procedure and protocols that have been designated for data collection. The size of the pilot group may range from 25 to 100 subjects, depending on the method to be tested, but the respondents do not have to be statistically selected (Cooper and Schindler, 1999).

After the in-depth literature review, survey instrument was designed and pilot test was conducted for one month with the total sample of 75 customers and 10 retailers. After participating in many IT, CRM, Retailing related conferences and workshops and interaction with experts valuable suggestions were received for the research study. Pilot test was conducted in order to assess the questionnaire's comprehension and

eliminate potential problems. As a result of the pilot test, several questions were re-phrased, and a few statements were made more applicable to organized retail sector. Based on the pilot survey results and observations final survey instrument was designed.

3.10. SELECTING THE SAMPLING METHOD

3.10.1. Sampling

The basic idea of sampling is that by selecting some of the elements in a population, we may draw conclusions about the entire population (Cooper and Schindler, 1999). A sample is a finite part of a statistical population whose properties are studied to gain information about whole population (Webster, 1985). If we collect and analyze data from every possible case or group member this is termed a census (Saunders et al. 2000). However, for many research questions and objectives like this research it will be impossible to collect or analyze all the data available owing to restriction of time, money and often access. Sampling techniques provide a range of methods that enable to reduce the amount of data that is needed to collect by considering only data from a sub-group rather than all possible cases or elements.

3.10.2. Population

The target population is the specific group relevant to the project, the group that possesses the information relevant to the researcher (Malhotra, 1996). A population consists of all elements, individuals, items or objects whose characteristics are being studied. The population that is being studied is also called the target population (Mann 1995). The population of present research is retailing companies operating in India and it consists of CRM practices in retailing industries in India. The study is chosen in organized retail sectors in India.

3.10.3. Sampling Design

A sample design is a definite plan for obtaining a sample from the sampling frame. It refers to the technique or the procedure that the researcher would adopt for selecting some sampling units from which inferences about the population is drawn. Sampling design is determined before any data is collected (Kothari CR, 2005). Sampling Design can be divided into two types. 1) Probability sampling which consists of simple random, complex random, systematic, cluster, stratified and double. 2) Non

probability sampling which includes convenience sampling, purposive, judgment, quota and snowball sampling (Cooper and Schindler, 2000).

3.10.4. Sampling frame

The sampling frame is closely related to the population. It is the list of elements from which the sample is actually drawn (Cooper and Schindler, 1999). The sampling frame for any probability sampling is a complete list of all the cases in the population from which the sample will be drawn (Saunders et al. 2000).

Present study has chosen four organized retailers in India which are Lifestyle, Pantaloons, Shoppers' stop and Westside. The study is mainly focused on CRM strategies in retailing i.e. loyalty/membership programs, its benefits, redemption etc.

3.10.5. Suitable sample size

Several qualitative factors should be taken into consideration while determining sample size. These include the importance of decision, the nature of research, the number of variables, the nature of analysis, sample sizes used in similar studies, incidence rate (the occurrence of behaviour or characteristics in population), completion rates and resource constraints.

Retailing is the one of the largest business sectors in India located at every nook and corner of the country. The study has chosen organized retail sector and four select cities have been selected for the data collection and they are Delhi, Mumbai, Kolkata and Hyderabad. These four cities are major cities in the country and located in four directions of the country. The study is mainly focused on departmental stores which are Lifestyle, Pantaloons, Shoppers' stop and Westside. The sampling technique of the study is taken as "***Representative sampling***". Representative sampling is a type of statistical sampling in which a researcher attempts to select individuals who are representatives of a larger population. It is accurate technique to serve the large number of population in a wider coverage area. The customer sample size is 200 from each city and each outlet customer sample size is 50 from each city.

- Number of selected stores are 4 which are Lifestyle, Pantaloons, Shoppers' stop and Westside.
- Number of selected cities are 4 which are Delhi, Mumbai, Kolkata and Hyderabad.
- Sample size for each city - 200 customers (Total customer sample is $4 \times 200 = 800$).
- Sample size for each store in each city -50.

3.11. RESEARCH TOOL

Research tool is essential to collect the data from respondents. Questionnaire is the prime data collection tool to what this study is intending to achieve. Emphasis should be on using the correct terminology and it should be appropriate enough to extract the required information from the respondent base. To conduct proper research data survey a suitable questionnaire structure should be taken:

- Survey method with structured questionnaire for Consumer
- Interview method for Managers based on semi-structured questionnaire.

3.12. DATA COLLECTION

There are two major approaches to gathering information about a situation, person, problem or phenomenon. Sometimes, information required is already available and only need to be extracted. However there are times when the information must be collected. Based upon these broad approaches to information gathering data are categorized as: Secondary data and Primary data. Secondary data is data that already exists and that has been collected for another purpose (Churchill, 1996) and in this thesis it consists of books, articles, journals, retail companies report and web/internet. Primary data are collected through observation, interviews and/or questionnaires (Hair et. al., 2003). According to Creswell (2003) data collection procedure in qualitative research involves four basic types: Observations, Interviews, documents and audio-visual materials. In this study qualitative survey is used as data collection method. Since the aim of the study is role of CRM in organized retailing, the main focus thus is the customer.

A questionnaire was prepared to obtain opinion about the customer's satisfaction of CRM practices in retail industry. The questionnaire is divided into two parts and one is retailers and second is customers related. To obtain the customer information questionnaire is exclusively used, where as for retailer's information the study has applied different methods which are questionnaire, interviews, observations and physical participation. A survey is a procedure used to collect primary data from individuals. Data can range from beliefs, opinions, attitudes and lifestyles to general background information on individuals such as gender, age, education, place, store and income as well as retailers CRM practices. Surveys are used when the research involves collecting information from a large sample of individuals (Samuel et. al., 2003).

3.13. LIMITATION OF THE STUDY

- All the sources of primary data collected are limited to only four selected organized retail stores in four major cities of the country and their surrounding areas.
- All retailers were not ready to give the data and they did not have interest to share their business strategies.
- It is limited only to retailer business. The study will not deal with other distribution channels.
- Direct interaction with online retailing customers is not always feasible.

3.14. DATA ANALYSIS

Cooper and Schindler, (2000) defined that the data analysis usually involves reducing accumulated data to a manageable size, developing summaries, looking for patterns and applying statistical techniques. Scaled responses on questionnaires and experimental instruments often require the analysis to derive various functions and relationships among variables are frequently explored after that. Further, researchers must interpret these findings in light of the client's research question or determine if the results are consistent with their hypotheses and theories.

Miles and Huberman's (2004) stated three flows of activities of analysis of data collections which are:

- a) Data reduction – The process of selecting, simplifying, focusing, transforming and abstracting the data. The data will be organized so that the conclusions can be drawn and verified.
- b) Data display – Taking the reduced data and displaying it in an organized and compressed way, to make it easier for conclusions to be drawn.
- c) Conclusion drawing and verification – the study will decide what things mean, note regularities, configurations, patterns and explanations.

In this research, data has been collected from customer as well as retailers of selected sample size. Collected data has been analyzed using descriptive-inferential statistics and SPSS (Statistical Package Social Science) software. In using descriptive statistics, the data has been analyzed using statistical indices such as frequency, percentage, average, Standard deviation, Chi-square test, Multiple regression analysis, Factorial analysis and ANOVA. In using inferential statistics, the following statistical tests have been used according to the level of data testing.

3.15. VALIDITY MEASUREMENT TOOL

Validity refers to the extent to which a test measures what we actually wish to measure. Validity can be explained in two forms i.e. external and internal validity. The external validity of research findings refer to their ability to be generalized across persons, settings and times. The Internal validity is further limited in this discussion to the ability of a research instrument to measure what it is purported to measure. “Validity in this context is the extent to which difference found with a measuring tool reflects true difference among respondents being tested” (Cooper and Schindler, 2000). To determine the validity of questionnaires, various methods are available. These are content validity, criterion related validity and construct validity. Content validity method is used to study the formation ingredients of a measurement tool. Since the study sample technique is representative sample then the content validity is suitable for this master thesis. This method usually is determined by experts in the proposed study subject. Content validity in the questionnaire of the current research was approved with the help of research advisor and supervisor and some retailer and CRM professionals, thus enjoys necessary validity.

3.16. RELIABILITY OF MEASUREMENT TOOL

Reliability means many things to many people, but in most of the times the notion of consistency emerges. If the test is repeated under similar condition, to what extent the findings are similar and reliable a measure is reliable to the degree that it supplies consistent results. Reliability is concerned with estimates of the degree to which a measurement is free of random or unstable error (Cooper and Schindler, 2000). Different methods are available to measure the reliability such as retest method, split-half method, parallel (equivalence) method, Richardson method and, Cronbach alpha coefficient method.

The popular and commonly used method to assess internal consistency is Cronbach alpha. Hair et al. (2007) has provided rules of thumb for interpreting alpha values. They mentioned an alpha of .70 or higher as an appropriate range to measure the reliability. To assess the reliability of the questionnaire during this research, alpha Cronbach was used. Result from the analysis of questionnaire reliability by using SPSS software for the foremost 30 samples questionnaire is 85.2 (85%) which is more than the minimum level (70%).

Reliability Statistics

Cronbach's Alpha	Number of Items
.852	81

Table 3.1: Cronbach's Alpha Value

3.17. DIRECTION FOR THE FUTURE STUDY

1. Customer Relationship Strategies can be studied in other retail sectors too like Food and Grocery, Airport retailing, Resale stores, Warehouse stores online retailing, etc.
2. A study can be conducted particularly on loyalty card benefits.
3. A study can be conducted to invent new technology tool for effective implementation of all kinds of retail business operations.
4. Customer behaviour can be studied to understand the customer better.
5. Different kind of relationship strategies can be developed for all type of business organizations as well as service organizations.

CHAPTER - 4

Select World and Indian Retailers - Their CRM Practices

4. SELECT WORLD AND INDIAN RETAILER – THEIR CRM PRACTICES

This chapter brings out the world's top retailers and Indian retailers, their Customer Relationship Management Strategies and Practices. It also describes the world and Indian Retailers' organization profiles, achievements, awards and their relationship strategies with customer i.e. quality products, services, discounts, offers, gift vouchers, loyalty program – benefits, rewards, redemptions etc. The need of the technology and effectiveness in retail sales transactions to maintain long-term relationship with the customers is discussed.

4.1. RETAILER'S RELATIONSHIP STRATEGIES

According to Stone (2000) organization must be able to meet every single customer needs and expectations when competition is high in order to retain the customer. It should also try to create a feeling of loyalty from the customer to the organization. To do this the organization must have a close relationship with the customer which can be done through Customer Relationship Management (CRM). In order for an organization to be successful, they have to retain old customers instead of only attracting new customers, because it costs five to ten times more to attract new customer than retaining old customer (Elinder, 1993).

According to Elinder (1993) one way for companies to create long-term relationship with their customers is to setup a dedicated customer care. Customer care is the way the organization creates a relation with the customer and tries to make them satisfied and loyal. One way to perform this is to establish a customer membership card program. By working with a customer membership program, the organization will be able to learn who their customers are and what their needs and expectations. Then the organization is able to offer their customers what they want and reward customers those who visit frequently. Through this the organization will increase loyalty which in turn leads to increased profit (Elinder, 1993).

Through the membership card/loyalty card program organization is not only creating relationship, but also get the complete information of customer behaviour, attitude

and perception towards the shopping. It helps to identify the customer's needs and expectations. The current competitive market demands every retailer to implement loyalty card/membership card program to create long term relationship and retain the customer. Besides retailing sector, every sector in the world like Telecom, Petrol/oil, Banks, Hospitals, Government institutions, service industries etc are implementing loyalty card programs. The following is the list of retailers and non retailers in the world as well as in India and their loyalty programs:

A) World Retailer list

S. No	Organization Name	Country	Type of Sector	Loyalty Program
1	Wal-Mart Stores, Inc	USA	Discount Store	Card Program and Sam's Club
2	Carrefour Group	FRA	Hypermarkets	I Wish
3	The Kroger Co	USA	Supermarkets	Card Savings
4	MetroAG	GER	Diversified	Metro Card
5	The Home Depot, Inc	USA	Hardlines	Gift Card/e-Gift Card
6	Sears	USA	Discount Store	Sear Club Card
7	Target Corporation	USA	Discount Store	REDcard
8	JC Penney	USA	Dept Store	JCPRewards
9	Costco Companies, Inc	USA	Warehouse Clue	Executive, Business & Gold
10	Tesco plc	UK	Supermarkets	Clubcard

Figure 4.1: World top Retailers their Loyalty Programs

B) Indian business organizations and their Loyalty Card Programs

S. No	Organization Name	Type of Sector	Loyalty Program
1	Lifestyle	Departmental Store	The Inner Circle
2	Pantaloons	Departmental Store	Green Card
3	Shopper's Stop	Departmental Store	First Citizen
4	Westside	Departmental Store	Clubwest
5	Kingfisher airlines	Airlines	Kingfishers king club
6	Air India	Airlines	Flying Returns
7	Jet airways	Airlines	Jet privilege membership
8	Bharat Petrol (BPCL)	Petrol	Petro Bonus program
9	Hero Honda	Motors	Passport
10	SBI	Bank	Freedom Reward
11	Indian Railways	Railways	Shubh Yatra
12	Reliance fresh	Supermarket	Reliance one
13	More	Supermarket	Club More
14	Star Bazaar	Supermarket	Star Power Rewards
15	Subhiksha	Supermarket	Subhiksham card
16	Vishal Mega Mart	Mega Mart	Maha Meetha offer
17	Provogue	Departmental Store	Pocket Fashion
18	Globus	Departmental Store	Privilege Club
19	The Leela	Hotel	Connoisseur Club (Point system)
20	The Taj	Hotel	Taj Inner circle
21	The Oberoi	Hotel	H Honor programme
22	The orchid	Hotel	Evergreen Club (Point system)

Figure 4.2: Indian business organizations and their Loyalty Card Programs

4.2. Select World Retailers and their Relationship programs/Membership Card programs/Loyalty card programs

4.2.1. WAL-MART

Wal-Mart is the world's number one retail organization, headquartered in Bentonville, Arkansas. It is the largest majority private employer and grocery retailer in the United States. It was the world's largest public corporation by revenue, according to the Forbes Global 2010 for that year. The organization was founded by Sam Walton in 1962, incorporated on October 31, 1969 and publicly traded on the New York Stock Exchange in 1972. He began his retail career when he started work on June 3, 1940 at J. C. Penney store in Des Moines, Iowa just before graduating from the University of Missouri in Columbia. In September 1945, Walton acquired the franchise of Ben Franklin in Newport, Arkansas. The variety store was part of chain operated by the Butler Brothers, a regional retailer. Walton opened his first Wal-Mart Discount City store on July 2, 1962 at 719 Walnut Ave in Rogers, Arkansas. Within five years, the organization expanded to 24 stores across Arkansas and reached \$12.6 million in sales. He opened its first stores outside Arkansas, in Sikeston, Missouri, Claremore, and Oklahoma in 1968.

Wal-Mart has 8500 stores in 15 countries, with 55 different names. The organization operates under its own name in the United States, including the 50 states. It also operates under its own name in Puerto Rico. Wal-Mart operates in Mexico as Walmex, in the United Kingdom as Asda ("Asda Wal-Mart" in some branches), in Japan as Seiyu, and in India as Best Price. It owns operations in Argentina, Brazil and Canada. Wal-Mart's investments outside North America have had mixed results: its operations in the United Kingdom, South America and China are highly successful, while it was forced to pull out of Germany and South Korea when ventures there were unsuccessful. Wal-Mart operates its business under three main business segments - Wal-Mart Stores Division, Sam's Club and Wal-Mart International. 51% of its US \$258 billion sales in the U.S. is generated from grocery business in 2009. It also owns and operates the Sam's Club retail warehouses in North America.

4.2.1.1. Wal-Mart Customer Membership Program

Wal-Mart doesn't have any specific loyalty/membership program but it is different from all other retailers. Wal-Mart Card program is divided into two types - Wal-Mart Discover and the Wal-Mart Credit Card. Customer can avail himself/herself these credit cards at any Wal-Mart stores while shopping. Customers can also register through online walmartcreditcard.com. Applicants do not express a preference for whether they would like to apply for the general Wal-Mart credit card or the Discover variation. The Discover card has stricter acceptance requirements and as the application is being processed, the applicant is considered for that card first. If the applicant does not qualify for the Discover card, he/she will be considered for the less stringent general card. Wal-Mart uses a method called "daily balance" to calculate the benefits of these cards. Owing to the benefits of Wal-Mart credit card program, many savvy discount store shoppers are turning to Wal-Mart programs.

4.2.1.2. Benefits of Wal-Mart Discover and General Card program

- Benefits are only for cards issued by GE Money Bank.
- Rewards apply only to net card purchases—not to balance transfers, cash advances, quick cash advances or fees and finance charges.
- The reward percentages will depend on customer total spending during a calendar year and will be 0.25% on total purchases up to \$1,500, 0.50% on total purchases from \$1,500.01 to \$3,000 and 1% on total purchases over \$3,000.
- A rebate cheque will be issued each time to customer accrue \$10 in rewards. All cash rewards are provided by GE Money Bank.
- ²3¢ off per gallon offer applies to the regular street price and cannot be used in conjunction with the Sam's Club Member discount. This service is not available in Puerto Rico.
- The customer can get up to \$100 quick cash in \$20 increments when customer make a purchase with Wal-Mart Discover card or \$60 quick cash in \$20 increments when customer make a purchase with Wal-Mart Credit Card at Wal-Mart-owned registers in Wal-Mart stores. It is limited to one per day.

- Cash advance will appear on customer monthly billing statement like a purchase.
- No annual fee regardless of spending limits or credit rating.
- Credit card fraud protection that guarantees cardholders is not liable for fraudulent purchases.
- Choice of payment due dates to fit cardholders' payment preferences.
- Special rates for pre-paid AT&T long distance when purchased through Wal-Mart.
- Ability to make in-store bill payments at Wal-Mart or Sam's Club registers, eliminating postal hassles.
- Ability to take cash advances when making a purchase (limited to \$20 and one transaction per day).
- Discount savings similar to gas card rates of 3 cents off per gallon at Wal-Mart gas stations.



Card Benefits	Walmart Discover 	Walmart Credit Card 
Earn up to 1% cash back on all purchases	Yes	
Accepted everywhere you see the Discover® Network Acceptance Mark	Yes	
Save 3¢ per gallon at participating Wal-Mart gas stations in the U.S.	Yes	Yes
Get a cash advance at the time of purchase	Yes	Yes
Pay no annual fee	Yes	Yes
\$0 fraud liability	Yes	Yes

Table 4.3: List of Wal-Mart card benefits

4.2.1.3. Sam's Club: Sam's Club is a \$31 billion organization and America's largest membership warehouse club. It operates with a renewed focus on serving small

business owners. Sam's Club was established in 1983 and named after Wal-Mart founder Sam Walton. As on 2008, it had more than 580 Clubs in the United States serving 47 million members, as well as more than 100 international locations in Brazil, China, and Mexico. There are also stores in the U.S commonwealth of Puerto Rico. Sam's Club is a vital partner to many small businesses in America. A typical Sam's Club stands between 71,000 square feet (6,600 m²) and 130,000 square feet (12,000 m²). The Sam's Club division of Wal-Mart Stores, Inc. had total sales revenue of US\$46.9 billion for the fiscal year ending January 31, 2009. Sam's primary competitor is Costco Wholesale. The warehouse giant follows a simple philosophy of serving specific business segments, including convenience stores and retail stores, restaurants, offices etc. Sam's Club also offers online shopping.

4.2.1.4. Sam's Club Program and its Features

- Membership is must to purchase at Sam's Club (except at the cafe, for prescription drugs where federal law prohibits sales to members only, as well as liquor and gasoline in some states in U.S).
- Sam's Club members can buy grocery items, home and garden products, health and beauty items, jewelry, clothing and electronics in bulk and at wholesale prices with best benefits.
- Sam's Club offers different membership programs, each with varying annual fees. These details are available at Samsclub.com or at the customer service counter.
- Customer can get membership through personal payment at Sam's Club or online.
- Sam's Club memberships are divided into three categories: Business, Advantage, and Collegiate.
- The Plus membership offers discounts and deals for a few services and products within Sam's (similar to free 12-month extended warranty for every extended warranty purchased) and more offers for outside goods and services. When compared to the Advantage and Business memberships, Plus memberships are 100% refundable.
- Membership fee: a) Advantage Membership - Annual fee \$ 40; b) Advantage Plus Membership - Annual fee \$100; c) Business Membership - Annual fee \$35; d) Business Plus Membership - Annual fee \$100.

- One-time day pass may be obtained from many Wal-Mart newspaper ads. A 10% surcharge is added (except where forbidden by local laws) to the prices for non-members, except for optical, pharmacy, cafe or alcohol items where available.
- All memberships are 100% refundable at any time for any reason, even on the date that it is to be renewed.
- Renewal of memberships can be done via internet, through the mail, in-club at the Membership Services desk, any cash register, and also at the new ATM/Membership kiosks (the latter only available in select locations).

4.1.2.5. Advantages of Sam's Membership

- Personal Shopper with Click 'n' Pull - Order ahead online by 5:00 p.m. customer can pickup the order next day.
- Advantage Membership includes two annual Membership Cards - one for member and one for a household member over 18 years of age.
- Full shopping privileges at nearly 600 Sam's Club locations nationwide for Home and Business. The Clubs are stocked with quality name-brand products for home, jewelry, tools, domestic house wares, books, pet supplies, tyres, special seasonal merchandise and more.
- It is accessible for business, office supplies, business furniture, and vending items, cleaning supplies, paper products, food service supplies, computers and more.
- Regular Club Hours in specific time of the week (Regular Club hours may vary by location).
- Shop online at samsclub.com - Shop at home, at work or on the road, with 24-hour access to suit member's busy schedule. Open seven days a week and post club hours.
- 100% Satisfaction guarantee on Merchandise and Membership – Wal-Mart stands behind its merchandise and Membership completely.
- If a member is dissatisfactory, organization will give him/her a full refund.

4.2.1.6. Advantages of Club Plus Membership

- E-Values automatic enrolment to receive offers for additional savings on products and services in Club. E-Values are loaded directly on your Membership card and redeemed electronically at the register.
- Personal Shopper with Click 'n' Pull - Order ahead online by 5:00 p.m. Order ready to pick up the next day.
- Advantage Plus Membership includes two annual Membership Cards - one for member and one for a household member over 18 years of age.
- Full shopping privileges at nearly 600 Sam's Club locations nationwide for Home and Business. The Clubs are stocked with quality name-brand products for home, jewelry, tools, domestic house wares, books, pet supplies, tyres, special seasonal merchandise and more.
- Benefits can be availed for business, office supplies, business furniture, vending items, janitorial/cleaning supplies, paper products, food service supplies, computers and more.
- Early Shopping Hours (Business and Plus Member only shopping hours) Shop online at samsclub.com - Shop at home, at work, or on the road, with 24-hour access to suit member's busy schedule. Open seven days a week and post Club hours.
- Sam's Club Discover Plus Members can earn up to 2% cash back up to \$1 million in purchases made at Sam's Club and at over 4 million locations where the Discover Network is accepted.
- This includes purchases made at Wal-Mart, at restaurants, for travel and entertainment and more.

4.2.2. CARREFOUR S.A

Carrefour S.A. is a French international hypermarket chain headquartered in Levallois-Perret, France. The term Carrefour means "crossroads" in French. Carrefour is the largest hypermarket chain in the world in terms of size. It is the second largest retail group in the world in terms of revenue and third largest in profit after Wal-Mart and Tesco. The Carrefour group has grown to become one of the world's leading distribution groups for 40 years. Being the world's second-largest retailer and the largest in Europe, the group currently operates four main grocery store formats: hypermarkets, supermarkets, hard discount and convenience stores. The Carrefour group currently has over 15,500 stores, either organization-operated or franchises.

The first Carrefour store was opened on June 3, 1957 in suburban Annecy near a crossroads (carrefour in French). The group was created by Marcel Fournier, Denis Defforey and Jacques Defforey and grew into a chain from this first sales outlet. The Carrefour group pioneered the concept of a hypermarket, a large supermarket and a department store under the same roof. They opened their first hypermarket June 15, 1963 in Sainte-Geneviève-des-Bois, near Paris in France. It merged with Promodès, known as Continent, one of its major competitors in the French market in 1999.

Carrefour operates mainly in Europe, Argentina, Brazil, China, Colombia and in the Dominican Republic. It extended its business in North Africa and some parts of Asia. It has its stores in United Arab Emirates, Kuwait, Oman, Muscat and Saudi Arabia. It also operates its business into Africa and South America. A pioneering entrant in countries such as Brazil (1975) and China (1995), the group currently operates in three major markets: Europe, Latin America and Asia with a presence in 34 countries, over 57% of group turnover derives from outside France. The group sees strong potential for further international growth in the future, particularly in such large national markets as China, Brazil, Indonesia, Poland and Turkey. In 1989, Carrefour became the first international retailer to establish a presence in Asia when it entered Taiwan through a joint venture with Uni President Enterprises Corporation.

4.2.2.1. Carrefour Relationship Marketing

Carrefour has more than 10 million loyalty club members in France. There are around 16,000 point of sale terminals functioning to serve the customer loyalty cards. The system, Retalix Loyalty and Promotions from Ra'anana, Israel-based Retalix, was developed to provide integration between promotion and loyalty functionality throughout all stages of the process, from headquarters to store, starting with central setup and deployment of marketing campaigns to the execution of promotions and personalized programs at the point-of-sale, following online access of customer data and near real-time transmission of store transactions to the retailer's central database.

4.2.2.2. 'I Wish' Card Membership

Carrefour Shopping Center has recently launched its new marketing strategy which will provide an extremely competitive promotion aimed at increasing 'I Wish' Card transactions to attract shoppers. The benefits of the card are:

- Members will receive discount vouchers valued from 3% to 100% for every 600 baht transaction.
- Other promotions will be the 'One Price' campaign at various departments, the 'Buy One Get One' offer and the 'Half Price' campaign. Carrefour anticipates an increase of 60- 70% in 'I Wish' Card membership by the time this special promotion ends.
- Besides attracting new customers, it increases the loyalty of existing customers.
- Carrefour also plans to reach current and new clients by publicizing the benefits of its stores through various media.
- The benefits of 'I Wish' card are just at hand when the customer submits his/her phone number.

4.2.3. J C PENNEY

JCPenney, one of the leading retailers in America, operates over 1,100 department stores throughout the United States and Puerto Rico. It is also one of the largest apparel and home furnishing sites on the Internet, jcp.com. James Cash Penney began his career in retail management when he opened The JCP Store, in association with Guy Johnson and Thomas Callahan, in 1902 in Kemmerer, Wyoming. Serving more than half of America's families each year, JCPenney offers a wide array of private, exclusive and national brands which reflect the organization's vision to be America's shopping destination for discovering great styles at compelling prices. J.C.Penney carries to include appliances, sporting goods, garden merchandise, restaurants, beauty salons, portrait studios, auto parts and auto centers.

"JCP" is traded as the \$17.6 billion retailer by the New York Stock Exchange. It is transforming its organization to support its Long Range Plan strategies to build a sustainable, profitable enterprise that serves its customers, engages its associates and rewards its shareholders. The organization has been an Internet retailer since 1998. Increased competition from big box retailers like Wal-Mart, Target and Kmart have forced JCPenney to focus on private brands such as St. John's Bay, Worthington and Arizona Jean Organization. It has streamlined its catalog and distribution while undergoing renovation improvements at store level. JCPenney has good market today, busy working families turn to JCPenney in cities, towns and suburbs and to jcp.com for affordable fashions and home accessories.

4.2.3.1. JCP Rewards Program

- The JCP Rewards Program ("JCP Rewards" or the "Program") is sponsored by J. C. Penney Corporation, Inc. ("JCPenney"). JCP Rewards membership is open to legal residents of the United States (including Puerto Rico and U. S. Territories) who are 18 years of age or older.
- Membership is non-transferable and is subjected to present and future program.
- JC Penney offers three different store credit cards. Customer can start off with a regular store credit card and depending on how much he/she spends; they can get

upgraded to a JC Penney Privilege Gold card or a JC Penney Privilege Platinum card. The JC Penney cards also come with many benefits for the card holder.

- There are two ways to become a Member: (1) through online enrolment at www.jcp Rewards.com, or (2) through auto-enrollment of customer JCPenney Rewards Credit Card.

4.2.3.2. Earning JCP Rewards Points

- When a customer uses his/her registered card (at time of purchase in-store, at www.jcp.com or through Catalog) and shops at JCPenney stores, www.jcp.com or Catalog he/she receives one (1) JCP Reward point (a "Point") for every \$1 (USD) spent on any eligible product purchase (a "Qualifying Purchase," as further described below).
- Purchases made with a registered JCPenney Rewards Credit Card will earn an extra 25% in points. Points earned will be rounded up to the nearest whole number.
- The member earns double points by making Qualifying Purchases with the Registered Card in two or more consecutive months. Double points will be earned for the second such month and for any successive months thereafter.
- Upon earning a Point balance of two hundred fifty (250) or more Points within one (1) calendar month, the member is eligible to receive one (1) JCP Rewards Certificate (a "Rewards Certificate") redeemable for \$10 (USD) off the purchase of any eligible products at participating JCPenney retail store locations, through Catalog or online at www.jcp.com. Limit one (1) Rewards Certificate per calendar month except during special promotional periods.
- Points will be posted to customer account within approximately two (2) business days after in-store purchase or the date of shipment of customer online/Catalog purchase. No adjustments to the member's account will be made after ninety (90) days from the actual purchase date. Points will be reset to zero at the first of each calendar month.

- Points will not roll over or otherwise be available for use after the calendar month in which the Points were posted.
- Members who enroll online are eligible to earn Points ("Salon Points") for use towards services in JCPenney Salons ("Salons"). Shop at our Salons and receive one (1) Salon Point for every \$1 (USD) spent on a Qualifying Purchase (Salon merchandise not eligible; see further details below) when he/she uses a Registered Card.
- Accumulated and unused Salon Points earned for current and previous months may roll over to future months. Upon earning a Salon Point balance of two hundred fifty (250) or more Salon Points, the member is eligible to receive a Salon reward entitling to receive a ten percent (10%) discount on Salon services of \$40 or more.
- The member will be notified of his/her Salon reward electronically and his/her reward will be accessible at www.jcprewards.com. Members are not eligible to earn double Salon Points. Unless otherwise specified herein, Salon Points and Salon rewards are subject to the same terms and conditions as regular Points and Rewards Certificates, respectively.
- Qualifying purchases include regular and sale priced merchandise in their stores, online and catalog and for salon points only, services at their salons.
- Purchases of the following items are not qualifying purchases and points will not be earned on them: clearance items, sephora products purchased online (only), JCPenney outlet store purchases, JCPenney online outlet purchases, and for salon points only, salon merchandise. In addition, dollars spent on sales tax, state fees, shipping charges, restocking fees, delivery charges, gift cards and e-gift cards, or other excluded charges will not earn points.
- Members do not earn Points for the amount of any Rewards Certificates redeemed or discounts applied. In the event that a Member returns merchandise that was partially or wholly paid for with a Rewards Certificate, no Points representing such Rewards Certificate will be reissued to such Member's account. Other exclusions may also be applied.

- Points have no cash value. Points that remain on Member's account will expire and will be forfeited if the Program is terminated.
- In addition to reward points, JC Penney sends emails with saving and special bonus offers to Rewards participants' members. Promotions can range from additional discounts particularly if the customer registers his/her JCPenney credit card. He/she can earn an extra 25 percent in points by shopping on special days and for buying select merchandise to special sign-up offers, such as 'join today and you will qualify for the Monthly Shopper double points.
- The points and rewards are capped off at \$10 per month, limiting customers' earnings to \$120 or less during one calendar year. Customers must redeem their \$10 certificates during the month in which it is issued. In addition, rewards members will be able to use their certificates in conjunction with other promotions.
- JCPenney will send monthly emails to rewards program members including a statement with their current point balance. Members also can log onto their account via www.jcprewards.com to view their latest reward point balance, print their certificates or call the Customer Service Hotline for any additional questions.
- To redeem points, customers will get an email informing them that their \$10 JCP Rewards Certificate is waiting to be printed at www.jcprewards.com. Once customers print their certificate, they can present it at any JCPenney store, enter the JCP Rewards code at checkout at www.jcp.com, or provide it to the customer service associate who takes a catalog order by phone.

4.2.4. TESCO

“Tesco” is Britain’s leading retailer in Supermarket format. It is one of the top retailers in the world, operating over 3,700 stores globally and employing over 440,000 people. Tesco operates in 13 countries outside the UK – Republic of Ireland, Hungary, Czech Republic, Slovakia, Turkey and Poland in Europe; China, Japan, Malaysia, South Korea, Thailand and India in Asia, and the U.S. Tesco has grown from a market stall, set up by Jack Cohen in 1919. The name Tesco first appeared above a shop in Edgware in 1929 and since then the organization has grown and developed, responding to new opportunities and pioneering in many innovations. Owing to strong competition in early 1990s, Tesco has developed different marketing strategies to maintain long term relationship with customers. As part of the relationship strategy, Tesco launched the loyalty scheme called Clubcard in 1994. It is the UK's first nationwide supermarket with loyalty card scheme and also launched “Tesco.com” for internet home shopping service.

4.2.4.1. Tesco Loyalty Program

Tesco is implementing loyalty program called “Clubcard”. In the mid 1990s, Tesco was a distant second to Sainsbury's in the grocery race and decided to implement customer loyalty program. A test in three stores proved fruitless at which Tesco hired the marketing firm of dunnhumby to develop a new program. The Clubcard was launched in 1995. Tesco enjoyed a large increase in customer loyalty and retention as the card succeeded instantly. After the first five years, sales had risen over 50% and by ten years Tesco had 10 million registered users to the program.

The customer earns a point on every pound he spends under this loyalty program. These points can be used in variety of ways both in traditional stores and online. Coupons are also sent to users to make them buy products frequently however on carefully selected products. Tesco believes that coupons might prompt customers to buy products. The latest advertising catchphrase used by Tesco is succinct and apt (especially in today's economy): "Every little helps". The organization has stated that over £1 billion have been given out in cash vouchers by the end of 2002. It is easy for any consumer to want a piece of this. The upper side for the customer is a free

program with customer rewards given back for shopping at a store the majority of them probably shop at anyway. The only downside is relinquishing some personal information.

4.2.4.2. Process and Benefits of Clubcard

- Clubcard is free to join and it's a great way to get something back - simply for doing shopping.
- Customer can collect points on almost everything. He/she buys in-store at tesco.com, as well as when they fill up their car, buy items from Tesco direct or use the Clubcard credit card.
- Once customer collects 150 points, organization converts them into a Clubcard voucher worth £1.50. Organization will send it to customer in his/her Clubcard statement. The more points customers collect the more vouchers they get back.
- Customer can spend his/her Clubcard vouchers in-store, at Tesco petrol filling stations, online at tesco.com and at Tesco direct. They can simply use them at the checkout and their value will be taken off the shopping bill or they can get more from their vouchers by spending them on Clubcard rewards.
- Customer can spend their vouchers on almost everything in store and online. Customer can get even more from vouchers by spending them on Clubcard rewards. He/she has over 600 rewards to choose from, ranging from holidays to meals out, hotels to cinema tickets.
- Customer can get double points for each £1 spend on products that qualify for Clubcard points either in-store or online. He/she will receive a second point which will show as 'includes double points' on receipt (except online purchase receipts).
- Double points offer validity for standard Clubcard points only and does not apply to points awarded on any promotional points offer, coupons, vouchers, Tesco Bank, E.ON or Clubcard Plus. It excludes mobile phone airtime, mobile phone contacts, Tesco Broadband, Tesco Home phone, Tesco Internet Phone airtime, Talk Wi-fi airtime, Green points, Tesco Calais, fuel and petrol filling station purchases. The minimum amount that a customer has to spend to qualify for Clubcard points is £1.

- Tesco partners in this program are Tesco Freetime Limited (Tesco Freetime) who operates this scheme under the current terms and conditions of the Tesco Stores Limited (Tesco) Clubcard Scheme. In store rewards are provided by Tesco and out of store rewards are provided by Tesco Free time.

4.2.4.3. Clubcard other Benefits

1. *Tailored mailing*: If customer signs up to receive mailing from Clubcard, organization will send to customer interest mailings from time to time with information and coupons for products and services.
2. *Baby & Toddler Club*: Baby & Toddler Club offers expert advice and is free to join.
3. Christmas Savers Club.
4. *Email*: Customers have to sign up to receive organization emails. Organization will keep customers updated on their latest rewards, way to earn extra points, competitions and more.

S. No	Mode of Purchase	Points collection
1	In Store	Collect 2 points for every £1 spent
2	Online at Tesco.com	Collect 2 points for every £1 spent
3	Tesco Direct	Collect 2 points for every £1 spent*
4	Tesco Fuel	Collect 1 point for every £2 spent
5	Tesco Fuel paid for with a Tesco Clubcard Credit Card	Collect 1 point for every £1 spent in addition to 1 point for every £4 spent in each purchase (£4 min)
6	Non-fuel purchases at petrol filling station	Collect 1 point for every £1 spent
7	Clothing at Tesco	Collect 2 points for every £1 spent
8	Tesco Opticians	Collect 2 points for every £1 spent
9	Tesco Wine by the Case	Collect 2 points for every £1 spent
10	Tesco diets	Collect 2 points for every £1 spent
11	Tesco photo	Collect 2 points for every £1 spent

12	Tesco entertainment	Collect 2 points for every £1 spent
13	Tesco books	Collect 2 points for every £1 spent
14	Nutri centre	Collect 2 points for every £1 spent
15	Tesco insulation	Collect 2 points for every £1 spent
16	Tesco solar panels	Collect 2 points for every £1 spent
17	Tesco Clubcard Credit card	In Tesco collect 1 point for every £4 spent in addition to standard Clubcard points Outside Tesco collect 1 point for every £4 spent in each purchase (£4 min)
18	Tesco Mobile - pay monthly	Collect 3 points for every £1 spent†
19	Tesco mobile top-ups	Collect 3 points for every £1 spent†
20	Other mobile top-ups	Collect 1 point for every £1 spent
21	Tesco Home phone	Collect 1 point for every £1 spent
22	Tesco Broadband	Collect 1 point for every £1 spent
23	Tesco Car insurance	Collect 1 point for every £2 spent on premium
24	Tesco DVD rental	Collect 2 points for every £1 spent
25	Bag reuse	Reuse 1 bag, collect 1 point
26	Mobile recycling	Collect up to 200 points
27	Inkjet recycling	Collect 50 points for selected cartridges
28	E.ON	Collect 1 point for every £1 spent

Table 4.4: A complete list of where to collect Clubcard points

4.2.5. TARGET

Target Corporation is the fourth largest retailer in the United States, operating 1,556 stores in 47 states. Target was established in Minneapolis, Minnesota in 1902 as the Dayton Dry Goods Organization. In 1962, the organization opened its first Target store near to Roseville. Target grew and eventually became the largest division of Dayton Hudson Corporation, culminating in the organization changing its name to Target Corporation in 2000. As of May 2010, the organization has opened stores in every state except Vermont, operating as Target or Super Target. Target's online business is remarkable.

Target has three main retail divisions: Target Stores, Mervyn's, and Marshall Field's. Target Stores is the number two discount retailer in the America, trailing only Wal-Mart Stores, Inc. It has distinguished itself from its competitors by offering upscale, fashion-conscious products at affordable prices. The organization is ranked at number 30 on the Fortune 500 as of 2010. Typical Target store has a shop space averaging 145,000 square feet versus 126,000 square feet; as well as Super Target outlets, which are combined discount/grocery stores, averaging 175,000 square feet.

Recently the organization achieved the *Diversity Inc* magazine ranked Target No. 40 on its annual list of "Top 50 Companies for Diversity" – 2010; *Institutional Investor* magazine ranked Target No. 10 on its "2010 All-America Executive Team: Most Admired Companies" list – 2010; *CollegeGrad.com* named Target to its list of "Top Entry-Level Employers" – 2010.

Target was launched in Bangalore, India in May 2005. These operations currently support all Target business units. In 2006, Target completed construction of the Robert J. Ulrich Center in Embassy Golf Links in Bangalore. Target planned to expand into India with the construction of additional office space at the Mysore Corporate Campus and successfully opened a branch at Mysore. More recently, Target opened a store in Embassy Manyata Business Park in North Bangalore.

4.2.5.1. REDcard Loyalty program

Target loyalty card program is called RED card. It is one of the successful loyalty programs in America. The main aim of this program is providing better price and offers/discount to the customers. Target offers two credit cards to customers. One is the Target Red Card and the other is the Target Red Visa Card. Detailed information on both cards is discussed in the following paragraph. RED card has recently come up with a promising comeback plan. Two bold initiatives are now under way — rolling out fresh groceries in more of its stores and, offering 5 percent discounts on nearly all purchases made with Target RED cards.

4.2.5.2. RED card Process, Rewards & Benefits

- Customer can become member of RED card from any Target store or through online target.com. He/she can visit any Target store and ask store employees for RED card or download the same form from target.com. He/she has to fill required fields and forward it.
- A Target Credit Card can only be used at target.com and Target stores.
- For every purchase amount customer gets 5% savings and tons of other benefits.
- Target RED card can be separated into Target Credit Card, Target Visa Credit Card or Target Debit Card.
- A member can use a RED card in the same purchase transaction with another form of payment; the 5% discount will apply only to the purchase amount tendered to RED card. 5% discount applies to eligible purchases minus any other discounts and the value of any promotional Target gift cards received in the transaction.
- Once customer becomes the member of the Target card holder he will get all benefits.
- Target Debit Card is not valid for online transactions. Whereas Target Visa Credit Card is valid for online transaction.
- A customer can support his/her favorite school by purchasing products from Target store. Target will donate 1% of customer's RED card purchase benefit to the selected school. Customer can check his/her credit account balance, debit transaction history or update his/her personal information 24/7.

4.3. Select Indian Retailers, their Relationship programs/Membership Card programs

4.3.1. LIFESTYLE

Lifestyle is the one of the world's class departmental stores chain from Landmark Group, Dubai. It started operations in India in 1998. Its mission is to be market leader in the large format-retailing segment. The Landmark Group was established in 1973 with a single store in Bahrain. It has grown into one of the largest retail conglomerates in the Middle East and is expanding rapidly in India. With over 30 years experience in retailing, the group has become one of the foremost retailers in the Gulf. Positioned as a trendy, youthful and vibrant brand that offers customers a wide variety of merchandise at an exceptional value for money, The group currently operates over 900 stores encompassing a retail presence of over 13.4 million square feet across 15 countries and employs around 31,000 employees world over. In addition to retail sector, the group has also diversified into leisure, food, hotels and electronics. It has created a comprehensive infrastructure including its own logistics and distribution division, to support its retail operations and other businesses.



Figure 4.1: Lifestyle Outlet – Great India Place (GPI), Noida.

Lifestyle India began operations in 1999 with its first store in Chennai. The main aim to enter in- to India is to revolutionize retailing in the country by introducing Lifestyle Stores. Lifestyle India is in its 11th year of retailing operations in India today. Landmark Group has launched several of its core retail concepts in the country including Lifestyle, Home Centre, Splash, Bossini, Max and hospitality concepts, Spar supermarkets and hypermarkets, Fun City, Citymax and Gloria Jean's Coffees.

27 Lifestyle stores do business in 15 cities in India: Ahmedabad, Bengaluru, Chennai, Ghaziabad, Gurgaon, Hyderabad, Jaipur, Jalandhar, Kanpur, Mangalore, Mumbai, Nagpur, New Delhi, Noida and Pune. Sizes of the stores vary between 27,000 square feet and 55,000 square feet. One distinct advantage is that the stores leverage upon global supply chain of over 300 stores in the Middle East for the Indian operations. Private labels contribute about 10 percent of the total sales. Lifestyle stores have arranged their merchandise under five different sections -Splash men's and ladies wear, Shoe Mart footwear and leather accessories, Baby shop kids wear, toys, infant basics, nursery furniture,

Lifestyle offers home center, home furnishings, gifts, Lifestyle perfumes and cosmetics, health and beauty accessories and adult gifts. It is a convenient one-stop shop and a choice of over 350 national & international brands. In 2005, Lifestyle launched its first specialized, stand-alone home improvement store – 'Home Centre by Lifestyle' – providing a one stop destination for furniture, home décor and soft furnishing that truly represents style, comfort and individuality. 12 exclusive Home Centers by Lifestyle and 6 Splash stores are operating across India.

4.3.1.1. Mission of Lifestyle

Carefully listen. Constantly adapt. Always deliver

4.3.1.2. Vision of lifestyle

To become the leading retail group in the Middle East and India, maintaining our constant growth through our core, value and international brand business.

4.3.1.3. Awards and Achievements

- Most Respected Organization in the Retail Sector' by Business World – IMRB in 2003 and 2004.
- ICICI – KSA Technopak Award for Retail Excellence' in 2005
- Lycra Images Fashion Awards for the 'Most Admired Large Format Retailer of the Year' in 2006.
- Reid and Taylor' Retailer of the Year award for the year 2006
- Most Admired Retailer of the Year – Department Store' from Images Retail in 2008
- Most Admired Retailer of the year award in Home & Interiors Category for Home Centre by Lifestyle from Images Retail in 2009
- Home Centre by Lifestyle was awarded 'Most Admired Retailer - Home and Interior Category' for 2010 (second year in a row).
- While celebrating its 10th Anniversary in India, Lifestyle unveiled a special 10th Anniversary logo. It announced host of attractive discounts, consumer offers and bumper prizes including foreign holidays, gift vouchers worth Rs.1lac and much more. Anniversary promotional period was extended for 99 days, longest in the history of Lifestyle

4.3.1.4. Loyalty program

The Landmark Group's loyalty programs are a testament to the Group's commitment in enhancing its relationship with its customers. Landmark customers across various brands are the focus of these programs as an expression of appreciation and improved customer experience. With a 'customer first' focus, the programs have achieved leadership status in the retail segment - confirmed by member base and redemption of rewards. Landmark Loyalty Programs offer a world of privileges to its members - from added value, savings, rewards, to an enriched customer experience with Landmark Group and its brands. The following programs are available in the Middle East and India:

- a) Shukran (Center Point Privilege Club) – Middle East
- b) The Inner circle (TIC) - India

4.3.1.4.1. Shukran (Center point Privilege Club)

Shukran is an exciting new rewards program. The caption of Shukran is “Our way of saying thank you to loyal customers”. Formerly known as Centre point Privilege Club, Shukran stands for everything the customer expects from a truly gratifying shopping experience. Shukran is designed to dazzle the customer with the best in fashion, lifestyle, entertainment, dining & much more; with a vast choice of brands to earn and redeem rewards from.

4.3.1.4.1.1. Features of Shukran

- It is the biggest and most successful retail loyalty program in the Middle East
- It is in 7 countries with over 800 outlets and 1.5 million members
- Offers free membership for life
- The customer can earn points even during sales and promotions
- 365 days Customer Assistance is available

4.3.1.4.2. The Inner Circle (TIC)

The Inner Circle (TIC) is an exclusive customer loyalty program offered by the Landmark Group in India. TIC members are entitled to exclusive privileges and exclusive rewards. The program offers its members reward points on every purchase, special periodic offers and discounts. Members also regularly receive personalized updates and information on in-store promotions, marketing events, new arrivals, launch of merchandise and products in addition to various offers from restaurants, pubs, discothèques, hospitals, health clubs, theme parks, hotels, etc.

The Inner Circle is today recognized amongst the leading Loyalty Program in the country with a member base of over 1.1 million. The card is accepted across all Landmark Group’s umbrella of brands in India including Lifestyle, Home Centre by Lifestyle, Max Fashion, Splash, Bossini, SPAR hypermarket, Polynation food court, Gloria Jean’s Coffees & The Yellow Chilli chain of restaurants.



Figure 4.2: Lifestyle membership card

4.3.1.4.3. The Inner Circle (TIC) Program Features

1. A customer who makes a purchase of Rs. 2500 on a single visit or cash payment of Rs. 150 towards the loyalty club is eligible to become the member of The Inner Circle (TIC) program.
2. A plastic card is issued to the customer with a barcode on it - contains the card number and the name. The cashier scans the card on every purchase, which will reflect in the respective account.
3. Customer should sign on the card, if not the card is not valid to him/her.
4. TIC card has no expiry date. It is a life-long membership card to every TIC member.
5. Points can be earned while shopping across Lifestyle Group, SPAR, Max, City Max and LMG outlets in India.
6. Points can be redeemed across Lifestyle Group, SPAR, Max, City Max and LMG outlets in India.
7. On accumulation of 143 points a TIC Gift Voucher worth Rs 100 can be obtained from any of the TIC lounges.
8. For every purchase of Rs.100, customer earns points on Inner Circle membership. 2 points are awarded for shopping at Lifestyle, Bossini, Splash, MAX and Citymax chain of restaurants across India and 1 point at SPAR stores. 1 point is equivalent to 70.p. Points will be credited within 48 hours from the time of shopping. The card has to be presented at the time of billing.
9. Points get converted to gift vouchers (GVs) of Rs.100 as soon as the customer accumulates 143 points and there on in multiples of the number. The GV's generated can be redeemed to shop for anything at all Lifestyle Stores.

10. Gift Vouchers are issued to the customers in multiples of Rs.100. As soon as a customer accumulates Rs.100, an exchange certificate is generated for the same. This in turn is converted to a GV of Rs.100 and issued to the customer. Once redeemed, the points balance becomes nil or if there is any remaining points, it gets carried forward to the account. As the system is online, the points of a customer will get updated in a span of 24hrs
11. The validity of the points is 1 year from the month of accrual.
12. The points can be obtained by enquiring at the TIC lounge or through monthly e-statements or customers can check their points online. Member can visit TIC website www.theinnercircle.co.in and log in with his/her Id and password (which is their TIC card number) and browse to know his/her points / purchase details and exchange certificate generated.
13. The site is self explanatory where a customer can browse without any problem. The e-statement will contain the details of points generated on the account containing the primary card holder and additional card holder.
14. Though a customer forgets his/her TIC Card during a purchase in TIC store, points are rewarded or if there is any promotion, it can be availed, after confirming the details like date of birth, contact number etc,. However the customer must produce TIC card to earn points while purchasing in TIC tie-up stores.
15. All Cashiers are well trained to ask all customers to present their Inner Circle Card before billing to get their points added. Once bills are made, points cannot be updated to customers account.
16. Members are rewarded with rewards and privileges. The rewards would vary based on the shopping value.
17. Points will not be awarded or earned in the case of Off sale/ discount sale (period), Special offers / promotions / items excluded by the management, Buying of Gift Vouchers, Credit notes transactions.

18. Family members can use the card. Add on card can be obtained for Rs.100/- and in such a case the points will be accumulated to the main card i.e. the primary card holder.
19. One card can be used by the whole family and friends. In case if the family doesn't shop together there is an option of getting Add-on cards (Rs.100/card) which functions as the supplementary card. Card name can be different with the same number on it, so that the accumulation of points will be greater.
20. Transfer of points is not entertained except there is a genuine reason such as if a customer has got 2 cards or a family has more than 1 card and 1 member is leaving the country; then the available points in his card is issued and the balance if any is transferred to the other card.
21. In disputes such as due to some error in spite of the TIC card swiped; the purchase did not reflect in the account and the customer enquires about the same, invoice number is captured from the customer through which they will be able to trace out the purchase or if the payment mode is through card, card number is taken from the customer and purchase is traced. It is sent to Corp. Office to be updated accordingly.
22. If the customer wants to close his TIC card, the available points on his card (i.e. if the exchange certificate is generated and not used) will be issued and the card is closed and if there is more genuine balance; it would be discounted from the customer's billing value.

4.3.1.4.4. Other Benefits

- Haute and Spicy In house fashion magazines by world of fashion
- Every outlet has a coffee island managed by Qwiky's
- Discounts and exclusive invitees to get together events
- Organization sends the SMS's and emails to members regarding the special offers and promotions. Quarterly offers from non competing brands.
- Exclusive promotions and Priority Billing counters.
- Tier Retention Gifts, Special Promotion Previews and Reserved Car Parking

4.3.2. PANTALOONS

Pantaloon Retail India Ltd (PRIL) is the market leader in the organized retail in India that operates multiple retail formats in both the value and lifestyle segment of the Indian consumer market. Pantaloon is a part of Future Group Organization; headquartered in Mumbai (Bombay). The organization operates over 16 million square feet of retail space, has over 1000 stores across 73 cities in India and employs over 30,000 people. Pantaloon operates 51 stores in 25 cities namely: Agra, Ahmedabad, Allahabad, Bangalore, Baroda, Bhopal, Bhubaneswar, Chennai, Delhi, Ghaziabad, Gurgaon, Guwahati, Hyderabad, Indore, Kanpur, Kolkata, Lucknow, Mangalore, Mumbai, Nagpur, Nasik, Pune, Rajkot, Siliguri, Zirakpur. The organization operates across multiple segments including –Food, Books & Music, Fashion, Telecom & IT, Home & Electronics, General Merchandise, Leisure & Entertainment, Wellness, Health & Beauty and E-tailing and that helps the organization cater to every Indian customer.



Figure 4.3: Pantaloon Outlet– Saket, New Delhi

Pantaloon's origin can be traced to 1987 when the organization was incorporated as Manz Wear Private Limited. The organization launched Pantaloon's trouser, India's first formal trouser brand. Pantaloon launched its IPO in 1992. The Pantaloon Shoppe - exclusive menswear store in franchisee format was launched across the country in

1994. Pantaloon started distribution of branded garments through multi-brand retail outlets across the nation. The organization forayed into modern retail in August 1997 with the launch of its first department store, Pantaloons in Kolkata. Pantaloon Retail is a listed organization on the Bombay Stock Exchange (BSE, Scrip Code: 523574) and National Stock Exchange (NSE, Symbol: PANTALOONR).

4.3.2.1. Future Group

Future Group is one of the country's leading business groups present in retail, asset management, consumer finance, insurance, retail media, retail spaces and logistics. Future Group, led by its founder and Group CEO, Mr. Kishore Biyani, is one of India's leading business houses with multiple businesses spanning across the consumption space. While retail forms the core business activity of Future Group, group subsidiaries are present in consumer finance, capital, insurance, leisure and entertainment, brand development, retail real estate development, retail media and logistics. The organization follows a multi-format retail strategy that captures almost the entire consumption basket of Indian customers. In the lifestyle segment, the group operates leading departmental Pantaloons, a fashion retail chain and Central, a chain of seamless malls. In the value segment, its marquee brand, Big Bazaar is a hypermarket format that combines the look, touch and feel of Indian bazaars with the choice and convenience of modern retail. Some of its other formats include Brand Factory, Blue Sky, aLL, Top 10 and Star and Sitara.

Future Group companies include Future Capital Holdings, Future Generali India, Indus League Clothing and Galaxy Entertainment which manages Sports Bar, Brew Bar and Bowling Co. Future Capital Holdings, the group's financial arm, focuses on asset management and consumer credit. It manages assets worth over \$1 billion that are being invested in developing retail real estate and consumer-related brands and hotels. The group's specialty retail formats include supermarket chain - Food Bazaar, sportswear retailer - Planet Sports, electronics retailer - eZone, home improvement chain -Home Town and rural retail chain - Aadhaar, among others. It also operates popular shopping portal - www.futurebazaar.com. Future Group believes in developing strong insights on Indian consumers and building businesses based on

Indian ideas, as espoused in the group's core value of 'Indianness.' The group's corporate credo is, 'Rewrite rules, Retain values.' The organization's leading formats include Pantaloons, a chain of fashion outlets.

4.3.2.2. Group Vision

- Future Group shall deliver Everything, Everywhere, Every time for Every Indian Consumer in the most profitable manner.

4.3.2.3. Group Mission

- We share the vision and belief that our customers and stakeholders shall be served only by creating and executing future scenarios in the consumption space leading to economic development.
- We will be the trendsetters in evolving delivery formats, creating retail realty, making consumption affordable for all customer segments – for classes and for masses. We shall infuse Indian brands with confidence and renewed ambition.
- We shall be efficient, cost- conscious and committed to quality in whatever we do.
- We shall ensure that our positive attitude, sincerity, humility and united determination shall be the driving force to make us successful.

4.3.2.4. Lines of Business

The organization is present across several lines of business which have various formats (stores) operational under it. These include:

- Food - Food Bazaar, Chamosa, Spoon, Brew Bar, Sports Bar & Sports Bar Express, Cafe Bollywood.
- Fashion - Pantaloons, Central, aLL, Brand Factory, Blue Sky, Top 10, Fashion Station, Big Bazaar, Lee Cooper (JV).
- General Merchandise - Big Bazaar, Shoe Factory, Navras, Electronics Bazaar, Furniture Bazaar, KB'S FAIR PRICE
- Electronics - eZone,
- Home Improvement - Home Town
- Furniture - Collection ie Furniture Bazaar, Home Bazaar
- E-tailing (Online Shopping) - www.futurebazaar.com
- Books & Music - Depot

- Leisure & Entertainment - Bowling Co., F123
- Wellness - Star & Sitara, Tulsi
- Telecom & IT - Gen M, M Bazaar, M-Port, ConvergeM

4.3.2.5. Awards and Reorganization

- CNBC Awaaz Consumer Award 2009, Most multi product chain
- Image Fashion Forum 2009, Most Admired Private Label
- Coco-cola Golden spoon Awards 2009
- Indian retail forum Award 2008, Most Admiral Retail Organization of the year
- The INDIASTAR Award 2008
- Retail Asia Pacific 500 Top Awards 2008
- Coco-cola Golden spoon Awards 2008, Most Admiral Retailer of the year
- The Reid & Taylor Awards for Retail Excellence 2008
- Images Retail Awards 2007, Most Admiral Retailer of the year
- International Retailer for the Year 2007 – Pantaloon Retail (India) Ltd
- Emerging Market Retailer of the Year 2007 – Pantaloon Retail (India) Ltd
- Best Employers in India (Rank 14th) – Pantaloon Retail (India) Ltd
- PC World Indian Website Awards 2007
- Asia Pacific Best of the Best Retailers – Pantaloon Retail (India) Ltd 2006
- Best Managed Organization in India (Mid-cap) – Pantaloon retail (India) Ltd 2006
- Ernst & Young Entrepreneur of the Year Award 2006
- CNBC Indian Business Leaders Awards 2006
- Lakshmipat Singhanian – IIM Lucknow National Leadership Awards 2006
- Images Retail Awards 2006
- Readers' Digest Awards 2006
- CNBC Awaaz Consumer Awards 2006
- Reid & Taylor Awards for Retail Excellence 2006
- Images Retail Awards 2005
- Voted by Business Today magazine as one of the 2005
- DAKS London, PRIL- Brand Builder of the Year 2005
- Images Retail Awards 2004, PRIL- Most Admired Retailer of the Year

- Reid & Taylor and DLF Awards, PRIL - Retailer of the year
- Indian Express Award, PRIL–Marketing Excellence and Excellence in Brand Building 2003
- Indus land Bank (India Brand Summit), PRIL - Excellence in Brand Building 2003

4.3.2.6. Major Milestones

1987 - Organization incorporated as Manz Wear Private Limited. Launch of Pantaloons trouser, India's first formal trouser brand.

1991 - Launch of BARE, the Indian jeans brand.

1992 - Initial public offer (IPO) was made in the month of May

1994 -The Pantaloon Shoppe – exclusive menswear store in franchisee format launched across the nation. The organization started the distribution of branded garments through multi-brand retail outlets across the nation.

1995 -John Miller – Formal shirt brand launched.

1997 -Organization entered modern retail with the launch of the first 8000 square feet store, Pantaloons in Kolkata.

2001 -Three Big Bazaar stores launched within a span of 22 days in Kolkata, Bangalore and Hyderabad.

2002- Food Bazaar, the supermarket chain was launched.

2004- Central - India's first seamless mall was launched in Bangalore.

2005- Group moves beyond retail, acquired stakes in Galaxy Entertainment, Indus League Clothing and Planet Retail. Set up India's first real estate investment fund Kshitij to build a chain of shopping malls.

2006 -Future Capital Holdings, the organization's financial was formed to manage over \$1.5 billion in real estate, private equity and retail infrastructure funds. Plans forays into retailing of consumer finance products.

Home Town, a home building and improvement products retail chain was launched along with consumer durables format, Ezone and furniture chain, Furniture Bazaar. Future Group entered into joint venture agreements to launch insurance products with Italian insurance major, Generali. Began joint ventures with US office stationery retailer, Staples.

2007 -Future Group crosses \$1 billion turnover mark.

Specialized companies in retail media, logistics, IPR and brand development and retail-led technology services became operational.

Pantaloon Retail won the International Retailer of the Year at US-based National Retail Federation convention in New York and Emerging Retailer of the Year award at the World Retail Congress held in Barcelona. Futurebazaar.com became India's most popular shopping portal.

2008 -Future Capital Holdings became the second group organization to make a successful Initial Public Offering in the Indian capital markets. Big Bazaar crossed the 100-store mark, marking one of the fastest ever expanding hypermarket formats anywhere in the world.

Total operational retail space crossed 10 million square feet mark. Future Group acquired rural retail chain, Aadhar in 65 rural locations.

4.3.2.7. About Green Card Program

Pantaloon's loyalty program "Green Card" is one of the best loyalty programs in the organized retailing sector, it has an impressive membership of about 10,00,000 customers. Pantaloon organization is clearly a leader in the retail industry when it comes to retail knowledge base and supply chain management practices, which is the focus area for retail. The main aim of the Green Card program is to enhance the value of shopping through a family store.



Figure 4.4: Pantaloon Green Card

4.3.2.8. Green Card Membership Program

Green card is the membership program of Pantaloon. Green Card concept can be divided into 1 star, 3 star, 5 star and 7 star.

4.3.2.8.1. One Star Card – To become one star member customers have to pay Rs.100 with that they become one star customer and customer gets Rs 200 discount coupon for next shopping and 5% discount on Friday.

4.3.2.8.2. Three Star Card – Customer can upgrade to 3 star status by shopping Rs. 8000/- immediately preceding 12 months of current shopping date. With this 3 star status customer gets 5% discount on all the days and additional 5% discount on Friday.

4.3.2.8.3. Five Star card - Customer can upgrade to 5 star status by shopping Rs. 20000/- immediately preceding 12 months of current shopping date. As a 5 star holder customer gets 7.5% of discount with additional 5% on Friday.

4.3.2.8.4. Seven Star - Customer can upgrade to 7 star status by shopping Rs. 40000/- immediately preceding 12 months of current shopping date. 7 star customers enjoy 10% discount on all the days and additional 5% discount on Friday.

- Customer should present the card for the swiping every time he makes a purchase at any Pantaloons stores and this card is also valid for apparel Depot (only within a Pantaloons stores), Blue Sky-Perfumes and Cosmetic, Planet Sports aLL-Accessories.
- The system of up gradation of card program is when the customer shops at Pantaloons and his/her total purchase (including that day) in the previous 12 months totals to the criteria value of the next tier, customer upgrades to the next status.
- Validity of Membership Card for 1 Star card is for a period of 2 years from the date of enrolment where as 3, 5 and 7 star cards are for a period of one year from the date of upgrade.

4.3.2.9. Membership Renewal: customer purchase

- worth Rs. 8000 within 2 years of card issue date and retain a 1 star status
- worth Rs. 8000 within 1 year of card issue date and retain a 3 star status
- worth Rs. 20000 within 1 year of card issue date and retain a 5 star status
- worth Rs. 40000 within 1 year of card issue date and retain a 7 star status

4.3.2.10. Benefits of Green Card

1) Green Add on Cards

Green Card customer benefits can now be shared with members of their family. Customer can apply for an Add-on card. This card gives benefit to membership customer family also. It is entitled to direct discount and other privileges. A 1 and 3 star member is entitled to have 1 add-on card. However a 5 and 7 star member is entitled to have 2 add-on cards.

2) Green Days

Members can get exclusive Green Card shopping day on the preview of End Of Season Sale, so that members are first to get hold of the latest merchandise.

3) Green Channel

There is a special billing counter which is open to all Green Card members during End of Season sale. It helps to avoid the rush at the regular billing counter.

4) Green Offers& Promotions

Many exclusive shopping offers are sent to customers on a regular basis. Customers have to just flash the Green Card and claim the special offers and promotions. At times, offers open to all customers are further enhanced for the esteemed Green Card members.

5) Green Service Desk

For all queries, information and services, customer can contact the Green Service Desk at any Pantaloon Store. It is an instant help and support.

6) Green Exchange

A good facility is available for Green Card members. They can exchange their products within 60 days of purchase. This exchange facility is more to 7 star customers. They can use this facility up to 90 days.

7) Green Drop

This service is exclusively available to the 7 star members through out the year and also to the 5 star members except for end of season sale period. Customers, who are busy with their work and cannot wait for alteration or purchases, can ask for the Green Drop Service and purchases will be home-delivered to customers.

Benefits	7 star	5 star	3 star	1 star
Discounts on all subsequent purchases	10%	7.5%	5%	Gift Voucher worth Rs. 200/- on new enrolment
Upgrade Enrolment	Upgrade Kit	Upgrade Kit	Upgrade Kit	Welcome Kit
Add-on cards to Family Members	2	2	1	1
End of Season Sale Preview	Yes	Yes	Yes	yes
Green Channel	Yes	Yes	Yes	Yes
Green Drop	Yes – through out the year	Yes – through out the year except End of Season Sale	No	No
Green Exchange	90 days	60 days	60 days	60 days
Green Service Desk	Yes	Yes	Yes	Yes
Green offers & Promotions	Yes	Yes	Yes	Yes

Table 4.5: Green card program its benefits

4.3.2.11. Other benefits of Green Card Program

Green Card is a kind of passport to a whole new world of exclusive benefits and privileges.

- Instant discounts for every time you shop at Pantaloons.
- Exclusive shopping days to get hold of latest merchandise.
- Regular updates on collections and promos via catalogues, SMS's and email.
- Special invites to the most happening events.
- Extended exchange periods and complimentary drops for alterations.
- Exclusive billing counters and much more.

4.3.2.12. Combined Benefits of Pantaloons and Jet Airways (Green-Jet Privilege)

- In the first partnership of its kind in retail, Pantaloons Green Card partners with Jet Airways' Jet Privilege offers dual benefits to members. With this unique partnership, Jet Privilege Members will be able to enjoy benefits from two loyalty programs i.e. earn JP miles and Enjoy Green Card discounts for shopping at Pantaloons.
- **Jet Privilege** – It is the frequent flyer program of Jet Airways. It offers a world of privileges and benefits to its Jet Privilege members. Based on the JP miles earned, customer can be redeemed for FREE flights on Jet Airways and partner airlines.
- Jet Privilege Members are awarded Green Card tiers on the basis of their Jet Privilege tier as on the date of the partnership launch. Effective from September 02, 2009, Jet Privilege members can shop at Pantaloons stores and earn JP miles and enjoy Green Card discounts as mentioned below:

Jet Privilege Tier	Green Card Tier Awarded	Minimum Purchase Criteria for existing Jet Privilege members (as on September 02,2009)	JP miles for every 100 spent	Green Card Discount/ benefits
Platinum	7 Star	Waived off	5	10%
Gold	5 Star	Waived	4	7.5%
Silver	3 Star	Shop for any Value	2	5%
Blue Plus/Blue	1 Star	Shop for any Value	2	Gift Voucher worth Rs, 200 on enrolment

Table 4.6: Pantaloons - JP miles and enjoy Green Card discounts benefits

Note: Green Card discounts and JP miles are valid on select categories within Pantaloons stores only. Green Card discounts and JP miles are not valid on Food, Furniture, Electronics and Mobile Phones.

4.3.2.13. Issues of Green Card Jet Privilege

- If a Jet Privilege member is an existing Pantaloons Green Card member prior to the partnership launch, he/she will be sent a Green Card in accordance with the higher tier that he holds in any of the two programs. The validity of the Green card will be extended by another 12 months from the date of issuance.
- Only Jet Privilege Platinum/Gold/Silver members who have been Jet Privilege members on or prior to September 2, 2009 will be auto enrolled and upgraded in the Green Card Program in accordance with their Jet Privilege membership level.
- Eligible Jet Privilege Platinum members will receive a pre-embossed permanent 7 Star Green card. Eligible Jet Privilege Gold, Silver members will receive a temporary peel off 5/3 Star Green Cards, respectively, based on the tier mapping mentioned above. The permanent Green card will be sent, post the initial shopping at any of the participating Pantaloons outlets. The Green Card and Jet Privilege membership accounts have been linked to ensure auto-credit of JP miles.
- Jet Privilege Blue Plus/Blue members will need to shop at Pantaloons and pay Rs. 50 to enroll in the Green Card program.
- Jet Privilege Blue Plus/Blue Members and who have enrolled/upgraded to Jet Privilege Platinum/Gold/ Silver tier in the Jet Privilege Program post September 02, 2009, will need to shop and pay Rs. 50 to enroll in the Green Card program and will be given a 1 Star Green Card. To avail of this benefit, member must present his/her valid Jet Privilege membership card at the Green Card Help Desk and quote their Jet Privilege number on the enrolment form.
- Newly enrolled members as well as existing Jet Privilege members should email their Jet Privilege membership number and GC account number to greenservice@futuregroup.in to enable linking of the two accounts and for auto credit of JP miles.

4.3.3. SHOPPERS' STOP

Shoppers' Stop, India's leading and pioneer in organized retailing industry is promoted by the K Raheja Corp Group, one of leading players in real estate development and hotels. Shoppers' Stop started operations with the first store in suburban Mumbai in 1991 and is now a multi-channel retailer with 33 large format department stores and online presence. Shoppers' Stop is India's first specialty chain with outlets in Mumbai, Bangalore, Bhopal, Chennai, Delhi, Ghaziabad, Hyderabad, Jaipur, Kolkata, Lucknow, Mumbai, and Pune.

Shopper's Stop has also begun operating a number of specialty stores namely Lifestyle retailing -shopper's stop, Home stop; Mixed retailing – Hyper city; Specialty Retailing – Clinique Estee lauder, Mothercare, Crossworld, Brio, Desi, Café, and Arcelia. Shoppers Stop retails a range of branded apparel and private label under the following categories of apparel, footwear, fashion jewellery, leather products, accessories and home products. These are complemented by cafe, food, entertainment, personal care and various beauty related services.



Figure 4.5: Shoppers Stop Outlet – Sarani, Kolkata

More than 25,000 customers walk into Shoppers Stop everyday to feel the experience of shopping. Andheri was the first store opened in India. The initiative of this store was taken by B.S.Nagesh at a time when the concept of retail industry was just coming into the market. As on today, the current investors in Shoppers' Stop are ICICI, IL&FS Investments and Zodiac clothing. Their combined shareholding in Shoppers Stop is 19% while 79% is held by Raheja Group & balance 2% is held by its employees.

Shoppers' Stop offers a complete range of garments and accessories for the entire family. From its inception, Shopper's Stop has progressed from being a single brand shop to becoming a Fashion & Lifestyle store for the family. Today, Shopper's Stop is a household name, known for its superior quality products, services and above all, for providing a complete shopping experience. With an immense amount of expertise and credibility, Shoppers' Stop has become the highest benchmark for the Indian retail industry. Shoppers Stop was the first retailer in the country to have bar-coded garments, co branded credit cards and retail ERP. It acquired "Super brand" status in 2003. The organization has also been recognized as "best IT user in retail by NASSCOM- Economic Times.

4.3.3.1. Vision of Shopper's Stop

"To be a Global Retailer in India and Maintain No.1 position in the Indian Market in the Department Store Category."

4.3.3.2. Shopper's Stop Mission Statement

"Nothing but the Best"

4.3.3.3. Values of Shopper's Stop

- We will not take what is not ours
- The obligation to dissent
- We will have an environment conducive to openness
- We will have an environment for innovation
- We will have an environment for development
- We will have a willingness to apologize and forgive

- We will respect our customer's rights
- We will create an environment of trust
- We will be fair
- We will be socially responsible

4.3.3.4. Pioneer to

- First to create a store Brand.
- First Retail Loyalty Program.
- First co-branded credit card in the country in retail.
- First to use the state of the art retail ERP-JDA.
- First retailer to go to B-schools for recruiting fresh talent.
- First to take graduates for front line sales staff.
- First Indian entry in the prestigious New York Art Directors Guild awards for the best campaign.
- Our training program created for the front end staff or their training & growth titled Baby Kangaroos recognized as one of the top Innovative HR practices by Delhi Management Association with Erehwon Innovation Consulting Nov,06.

4.3.3.5. International Recognition

- Mr.B.S. Nagesh, Customer Care Associate & Managing Director was inducted into the World Retail Hall of Fame at the World Retail Congress Award 08. (For more information visit www.worldretailcongress.com)
- Shoppers Stop won the “Emerging Market Retailer of the year at the World Retail Congress Awards 08”.Tesco, H&M, and Woolworths SA had won the awards in other categories.
- Shoppers Stop has been short listed as the finalist for the “Retail Advertising–Instore”category for the World Retail Awards 09”.

4.3.3.6. Some Industry Honors

- Images Retail Awards consecutively for two years (2008 & 2009) named Shoppers Stop the “Most Admired Retail of the Year–CRM”.

- The Best Visual Merchandising "Award at the VMRD Retail Design Awards 2009".
- The Prestigious Loyalty "award for Customer & Brand loyalty in the Retail Sector" 2010 at the 3rd Loyalty Summit.
- Shopper's Stop Ltd has been awarded by CMAI—"The Golden Scale Trophy as the Brand of the Year" for its STOP Ladies ethnic wear in 2008 & 2009, and the Marketing Campaign of the Year in 2009.
- Images Fashion Awards held in 2009 recognized Shoppers Stop as, "The Most Admired Fashion Retail Destination of the Year and in 2010". Most Admired Large Format Retailer "award by Gini & Jony and the Most Admired Partner by Gili.
- Mr Govind Shrikhande, Customer Care Associate & President & CEO, Shopper's Stop Ltd received prestigious honors of the "Retail Professional of the Year by CMA I in 2009" & "Most Admired Fashion Retail Professional at the Images Fashion Awards 2010".
- Received the following awards from the "Clothing *Manufacturers Association of India*" (CMAI) for the year 2006-07 on 22nd Nov'07:
 - Retail Professional of the Year -Mr. B.S. Nagesh. (For 3 consecutive years)
 - Advertising Campaign of the year -Shoppers Stop. (For 3 consecutive years)
- Received four awards from the "Clothing *Manufacturers Association of India*" (CMAI) for the year 2005-06:
 - Entrepreneur of the Year -Mr. C L Raheja
 - Best Chain store of the Year -Shoppers Stop.
 - "Super brand" status, by Super brands Council, for the years 2006-07
 - "Certificate of Merit" from the Council for Fair Business Practices (CFBP) for our contribution to the promotion of the Code of Conduct lay down by CFBP in February 2006.
- "Best Annual Report 2005-06" by the Institute of Chartered Accountants of India for presentation & Corporate Governance.

- SP Jain Institute of Management & Research adjudged Shoppers' Stop the runners up for "*Most Successful Supply Chain Management*" across the country in August 2004

4.3.3.7. Loyalty Program

Shoppers Stop's customer loyalty program is called The First Citizen. The program offers its members an opportunity to collect points and avail of special benefits. Currently, Shoppers' Stop has a database of over 16.11 lakh members who contribute to nearly 75% of the total sales of Shoppers' Stop. They also offer a co-branded credit card with Citibank for their members. This is the one of the largest Loyalty program in the country. It was awarded "Second best in the Consumer Loyalty Survey" in the retail sector by CSMM in April'07. Another feather in the cap of Shoppers' Stop is "Most Admired Retailer –Customer Relation Management" to Shoppers Stop at Images Retail forum, September 2008.



Figure 4.6: First Citizen Cards

Benefits	Classic Moments	Silver Edge	Golden Glow
First Citizenship	Rs. 200	-	-
First Citizen Reward Points (on net purchases)	1 Reward Point for every Rs. 100 purchased	1 Reward Point for every Rs. 50 Purchased	1 Reward Point for every Rs. 34 purchased
Extra Reward points on preferred brands	-	1%	2%
Program Partners Reward Points	0.25%	0.5%	1%

Associate Card	Yes (Rs. 100)	Yes (Rs. 100 for upto 2)	2 free (3 rd Rs. 100)
Regular updates	Yes	Yes	Yes
Exclusive Cash Counters	Yes	Yes	Exclusive Golden Glow Cash Counter
Free Parking	Yes	Yes	Yes- Reserved parking on first come, first served
Valet Parking	Yes	Yes	Yes
Free First Update	-	-	Yes
Home Delivery of Alterations	-	-	Yes
Out Store offers	Yes	Yes	Yes
Exclusive Previews Merchandise & Sale	Yes	Yes	Yes

4.7: First Citizen Card benefits list

4.3.3.8. Process of First Citizen Membership Program

4.3.3.8.1. Classic Moments

- Customer should pay Rs 200/- to get First Citizen membership “Classic Moment Card” from shopper’s Stop store.
- Customer should purchase worth of Rs 10,000 in Shoppers stop before First Citizenship Validity period and can upgrade to “Silver Edge” First Citizenship.
- Customer should purchase worth Rs. 40,000 in Shoppers Stop before First Citizenship Validity period and can upgrade to “Golden Glow” First Citizenship.
- Customer can not renew Classic Moments Shoppers Stop First Citizenship. He/she will need to upgrade or cease being a Shoppers Stop First Citizen.

4.3.3.8.1. Silver Edge

Customer should purchase worth Rs. 40,000 in Shoppers Stop before First Citizenship validity period and can upgrade to Golden Glow First Citizenship. To renew the Silver Edge Shoppers Stop First Citizenship, Customers need to make a purchase of Rs. 10,000 in the current Shoppers Stop First Citizenship period or cease being a Shoppers Stop First Citizen.

4.3.3.8.3. Golden Glow

To continue to revel Golden Glow Shoppers Stop First Citizenship, customer needs to have made a net purchase of Rs 40,000 in current shoppers Stop First Citizenship validity period. If, for some reason, the purchases are not made, customer will cease to be a Shoppers Stop First Citizen.

4.3.3.9. Earn Reward Points

- Classic Moments – customer will earn 1 Reward Point for every purchase of Rs.100/-
- Silver Edge – customer will earn 1 Reward Point for every purchase of Rs. 50/-
- Golden Glow – customer will earn 1 Reward Point for every purchase of Rs. 34/-

4.3.3.10. Preferred Brands Reward Points

Silver Edge – 1 additional Reward Point for every purchase of Rs. 100/-

Golden Glow – 2 additional Reward Points for every purchase of Rs 100/-

The above scheme is restricted to the purchase of Shopper's Stop Preferred Brands – Stop, Life, Kashish, Acropolis, Vettorio Fratini, Austin Reed, jeanswear, Push & Shove and Mario Zegnotti.

4.3.3.11. Redeeming Reward Points

- Each Reward Point that customer earn is worth Rs. 0.70.
- Reward Points can be accumulated and exchanged at the time of payment or billing.
- To redeem Reward Points, customers should present their Shopper's Stop Citizenship Card at the cash counter.
- Reward points can be redeemed only by Shopper's Stop First Citizen cardholders, by presetting the Shopper's Stop First Citizen Card at the cash counter and signing to acknowledge the receipt of the redemption of Shoppers Stop Fist Citizen Reward Points.

- Reward Point can be used to buy anything with the store except certain merchandise (The current list is available at the Shoppers Stop First Citizen desk). These Purchases will not earn any Reward Points. Customer cannot use Shoppers Stop First Citizen Reward Points to buy Shoppers Stop Gift Vouchers.
- Shoppers Stop First Citizen Reward Points should be redeemed within the First Citizenship validity period, failing which the Reward Points automatically will lapse.

4.3.3.12. Other Benefits

- Reward Points for every time when customer shops at Shoppers Stop stores or shoppersstop.com
- Exclusive benefits & privileges
- Exclusive offers ever so often
- Updates on what customer can look forward to shop for at Shoppers Stop
- Exclusive cash counters at Shoppers Stop so customer can spend more time shopping than waiting in a line
- Free parking is available only for Golden Glow Shopper's Stop First Citizen on the production of a valid Golden Glow Shopper's Stop First Citizenship Card. Classic Moments and Silver Edge Shopper's Stop First Citizen can get their parking charges reimbursed against purchases made on the same day at the Shopper's Stop outlet where they have paid for the parking.
- Reserved parking is available on a first come, first served basis in select stores only for Golden Glow Shopper's Stop First Citizen on the production of a valid Golden Glow Shopper's Stop First Citizenship Card.

4.3.3.13. Terms and conditions

- The shoppers stop First Citizen Program is open to Indian citizens above 18 years of age only.
- No two offers or discounts can be clubbed together unless specified otherwise.
- Shoppers stop first citizen will not be entitled to any of the benefits under the Shopper's Stop First Citizen Program for any transaction of the nature of institutional sales made from Shoppers Stop.

- First Citizenship is for individuals only. It is not a corporate card/corporate membership.
- Primary enrolment is defined as an individual who is the first member in the family to enroll in the Shopper's Stop First Citizen Program at any point of time since its inception. Family is defined as parents, siblings (brothers and sisters), Spouse, Children (18 years of age and above as on date of enrolment).
- Enrolment must be in the applicant's full name and only one primary enrolment per individual will be accepted. In the event of more than one Shoppers Stop First Citizen number being assigned to same individual (duplicate accounts), Shopper's Stop Ltd. reserves the right to merge the two accounts.
- Associate Shopper's Stop First Citizen program can be provided only to the following family members – parents, siblings (brothers and sisters), spouse, children's (18 years of age and above as on date of enrolment).

4.3.4. WESTSIDE

Westside is established in 1998 as part of the Tata Group, Trent Ltd. Westside is one of the India's largest and fastest growing chains of retail stores. The Westside story began around 1998 when The Tata's acquired *Littlewoods* – a London based retail chain. This acquisition was followed by the establishment of Trent Ltd (a Tata enterprise that presently operates Westside). Littlewoods was subsequently renamed Westside. In a rapidly evolving retail scenario, Westside has carved a niche for its brand of merchandise creating a loyal following. Style, affordable prices, quality these are the factors that have shaped Westside's success story in the retail fashion stores business.

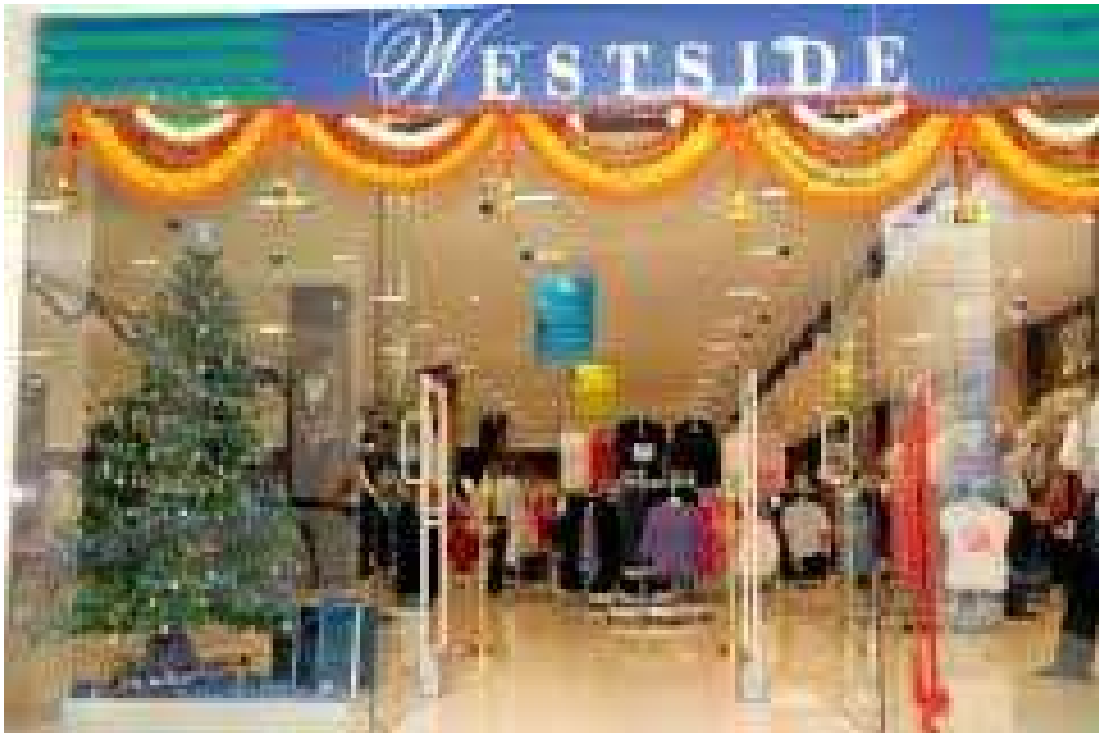


Figure 4.7: Westside Outlet – Infinity Mall, Andheri, Mumbai.

Westside is launched in 1998 in Bangalore, the Westside chain has, ever since, been setting the standards for other fashion retailers to follow. The Westside stores have numerous departments to meet the varied shopping needs of customers. These include Menswear, Women's wear, Youth, Kid's wear, Footwear, Cosmetics, Perfumes and Handbags, Household Accessories, lingerie, and Gifts. The organization has already established 49 Westside departmental stores (measuring 15,000 - 35,000 square feet each) in 31 cities include Tier I, Tier II and Tier III. These cities are Ahmedabad,

Bengaluru, Chandigarh, Chennai, Faridabad Gurgaon, Guwahati, Hubli, Hyderabad, Indore, Jaipur, Jammu, Kanpur, Kolkata, Lucknow, Ludhiana, Mangalore, Mumbai, Mysore, Nagpur, Nashik, New Delhi, Noida, Pune, Raipur, Rajkot, Sahibabad, Surat, Thane, Vadodara and Vashi. The organization hopes to expand rapidly with similar format stores that offer a fine balance between style and price retailing. The store is with a variety of designs and styles. Everything at Westside is exclusively designed and the merchandise ranges from stylized clothes, footwear and accessories for men, women and children to well-co-ordinated table linens, artifacts, home accessories and furnishings. Well-designed interiors, sprawling space, prime locations and coffee shops enhance the customers' shopping experience.

4.3.4.1. Mission Statement

- At Westside mission is to be the most preferred and consistently profitable lifestyle retailer.
- Westside shall develop a comprehensive understanding of customers' needs.
- In order to achieve this goal, organization shall develop a comprehensive understanding of customer needs, strive to win their confidence, and offer them best-in-class products and services at affordable prices.
- organization always be in the forefront of fashion and services by anticipating and exceeding the expectations of customers.
- Leadership will be the product of our styling, quality and service consciousness. Organization will continue to scale new heights of excellence through teamwork, in an atmosphere that encourages creativity and innovativeness.
- It is the organization policy to satisfy the customers with the range, quality and value of the products it offer. However, if customer are dissatisfied with any item that they might have purchased organization would take the necessary measures to assist them.
- Organization expect its customers to return unused merchandise along with its receipt within 30 days; it would exchange the returned items or give customers a complete refund.

4.3.4.2. Westside has garnered numerous accolades

- Balanced Scorecard Hall of Fame
- India Brand Summit – Brand Leadership Retail
- IFA Visionary of the Year Award, 2002 – Mrs. Simone N. Tata
- Most Admired Large Format Retail Chain of the Year – Lycra Images Fashion Awards 2005
- NDTV Profit Business Leadership Awards 2006 - Retail Category

4.3.4.3. Westside social responsibility for community

- *Light a Diya, Help a Child* – Purchase a diya and light it at Westside during the Diwali Promotion. Funds collected are donated to NGOs to help bringing smiles to the faces of underprivileged children.
- *Angels Tree* – Purchase a “Silver Star” or a “Gold Star” during Christmas Promotion, and decorate their Angels Tree. The money collected is donated to various NGOs across the country working with underprivileged children.

4.3.4.5. Clubwest Membership program

Clubwest is the loyalty program launched in May 2001 by Westside. It is a two-tier program, which consists of Clubwest Classic and Clubwest Gold. The loyalty program Clubwest has a membership of more than 200,000 customers, who are offered services like Privileges etc.



Figure 4.8: Clubwest Card

4.3.4.5.1. Eligibility for Clubwest Classic

This membership card is issued complimentary to applicants on a same day purchase of Rs. 2000, or alternatively, the customer can enroll by paying a nominal one-time fee of Rs.150.

- Membership is open to applicants over 18 years of age only.
- Employees of Trent Limited and /or the Tata Group Companies and their immediate families who are eligible for the employee's discount cannot avail of both the offers in conjunction.
- Trent Ltd reserves the right to refuse Membership, to an applicant without assigning any reason.
- A member can qualify to continue his membership. If he or she has purchased merchandise worth Rs 10,000/- within the Membership tenure (2 Years). Alternately, a member can pay Rs. 150 to apply for new membership.

4.3.4.5.2. Eligibility for Clubwest Gold

- This is a premium card issued complimentary to applicants on same day purchase of Rs 5000.
- Clubwest Classic members making purchase of minimum Rs. 10,000 within one year from the date of enrolment is eligible for Clubwest Gold Card.
- There is no paid enrolment membership for Clubwest Gold.
- A member can qualify to continue his Gold Card Membership, if he or she has purchased of a minimum of Rs. 20,000/- within the Membership tenure (2 years). If the member has purchased merchandise worth Rs. 10,000/- only, he would qualify for complimentary Club West Classic Card.

4.3.4.6. Associate Membership Card

Classic as well as Gold members can apply for an Associate card for their spouse on payment of Rs.50. All purchases against Associate card will be credited to the account of the main member. Associate card will be couriered directly within 3 weeks of applying. Application for the associate member card is enclosed in this kit which is given by the Westside store, Clubwest desk at the time of taking membership.

4.3.4.7. Program Operation

1. On enrolment, a Clubwest Card member will receive a card along with a membership kit.
2. Membership Card must be signed on the reverse as it is received.
3. The benefits and offers may be refused if the signature does not match.
4. Membership card is non-transferable and can only be used by the member whose signature appears on the signature card.
5. At the time of making purchase, member must present his Membership Card to the cashier.
6. The member is required to check to see if his Clubwest Membership Card number has been recorded on the invoice, indicating that the points have been credited to his account. If not, the customer has to immediately bring to the notice of Store/Clubwest staff.
7. Westside Stores will keep track of purchases against each membership Card.
8. Membership is advised to preserve invoice with Membership Number for future reference.
9. If a member fails to present his card and sign the invoice as required, at the time of purchase, the transaction will not be recorded on the member's account.
10. To redeem earned points, the member, after making the necessary purchases, must present the Membership Card to the cashier at the time of billing.
11. Member must sign the invoice copy after checking that the membership number appears on it. The signature must tally with the signature on the Membership Card.
12. Redeemed points will be automatically deducted from the account.

4.3.4.8. Communication and Technology services

- All communication for Clubwest will be mailed to the mailing address given on the application form and call will be made on the telephone on record.
- In case of any change of address or mail customers need to inform it to Clubwest desk at Westside
- Customer can do transaction through online.

- Customer can verify the status of his/her transactions, points, redemption, eligible gifts etc.

4.3.4.9. Process of Collect Points

a) On return of Profile Form – 25 Bonus points for Clubwest Classic members and 50 Bonus points for Gold members on completion and return of the enclosed Profile Form.

b) On purchases at Westside – Every purchase customer make from any Westside store earns points. Clubwest Classic members earn 1 point for every Rs 100 spent. Gold members earn 1 point for every Rs 80 a higher reward. Purchases made by cash and credit card only qualify to earn point.

c) How to earn points – Member can start redeeming his/her points once they enroll into the Clubwest program. It is very simple to operate. The customer has to just present membership card each time at billing. It will automatically update and keep track of his/her points. However customer has to check the name and membership number appear on the cash memo and retain it for further reference. If the customer's name/number is missing on the cash memo immediately he/she has to inform it to cashier at the time of billing. If customer fails to do so, those points will not be credited into his/her account; automatically he/she will loss those points. Credit of points after completion of the transaction is not permissible.

d) Bonus Points – On completing the profile form and returning the same to the store, customer's account will be credited with 25 bonus points for a Classic card and 50 bonus points for a Gold card. These are the initial bonus points to every membership/register customer.

e) How to redeem – In this level customer redeem with gained points. Customer can start redeeming points once he/she has a minimum of 200 points. The value of each point is Rs.1 at redemption. Points can be redeemed against the purchases at the Store. Customers should present the membership card, and ask for point redemption. The value of the points will be deducted from customer bill form, and Clubwest account

automatically debited. Also customer redeems points for gift vouchers of specified value for gifting. Some of the important points to claim the point status:

- Customer can enquire about the points status by calling the Clubwest desk of any Westside Store or log on to Westside website www.mywestside.com
- Member must be present in person at the time of redemption, and sign the relevant cash memo.
- Points earned on a particular day can be redeemed only 5 days from the date of earning. Points earned cannot be redeemed for cash.

4.3.4.10. Benefits of Clubwest Card

- Most attractive rewards shopping.
- Instant use of the card and it is very easy to operate at shopping time.
- Exclusive shopping hours and advance notice of all sales and information of special events at the store.
- Customer earns a point every time he/she shops at Westside. These points can be exchanged against subsequent purchases made in the store.
- Advance intimation of all in-store promotions and special offers through direct mailers
- A dedicated Clubwest desk for a member's assistance at each of the Store.
- Free Home Delivery for alternations on purchases over Rs.2500 for Gold members only.
- Unprecedented access to a host of privileges and services through their exclusive tie-ups from time to time.
- Advance intimation of all in-store promotions and special offers through direct mailers.
- Special discounts on dining at select restaurants round the year.
- Invites for special events, for Gold members only.
- Extra convenience, member can avail the service at every store.

4.3.4.11. Special Benefits for Clubwest Gold members

- Higher rewards and exclusive privileges. Associate membership for spouse on payment of Rs.50.
- For Gold members rewards come for 50 bonus points on return of profile form. 1 point on every Rs.80 spent. (25% higher than a classic member).
- Complimentary Tea/Coffee/Soft drinks at the time of shopping as a refreshing break, which is catered by the Taj. Only 4 coupons per member during the tenure.
- Free delivery of garments given for alteration, if purchase amount exceeds Rs. 2500/-.
- Invitations to exclusive events at the Westside Stores.

4.3.4.11.1. Additionally there are other benefits for Clubwest Classic and Gold members.

- A) ***Gourmet Delite (Restaurant Discount)*** – As an esteemed member of Clubwest they can avail of special discounts at some of favorite restaurants in India all through the year. The selection is a combination of various specialty and multi-cuisine restaurants at convenient locations at most cities where Westside is located.
- B) ***Treasure West*** – According to this program customers discover that the benefits/privileges for Clubwest members extend beyond store shopping and fine dining. For providing these services to customer, Westside has an alliance with leading organizations; enable the customer to enjoy exclusive offers, discounts, free gifts and privileges from time to time. All the details of the schemes list are enclosed in the membership card kit.

4.3.4.12. Gift Voucher

A worth of Rs.100/- gift voucher is given to customer after becoming the Clubwest member. It is a kind of cheque/Voucher slip with Authorized signature.

4.3.4.12.1 Terms and Conditions of Gift Voucher

- This voucher is valid on in-house brands only.
- This voucher is valid till 31st December of every year.

- This voucher cannot be redeemed in part value.
- This voucher cannot be encashed.
- This voucher cannot be combined with any other ongoing offer.
- This voucher is not valid on the Date of issue.
- This voucher is valid on your next purchases at Westside.

4.3.4.13. Renewal of Membership card

- Membership card is valid for 2 years from the date of enrolment.
- To re-qualify for complimentary renewal, Clubwest Classic member must make purchase of minimum Rs.10000 in 2 years. Failing this, member has to re-enroll into the program.
- To re-qualify for renewal of Gold membership, member must make purchases worth minimum Rs.20000 over 2 years. In case purchases in this period are Rs.10000 - 20000, complimentary Clubwest Classic membership will be offered. Failing this, member has to re-enroll into the programme.

4.3.4.14. Validity of Points

- For members who have attained the redemption threshold of 200 points during the membership tenure and who qualify for the complimentary renewal of membership, the balance points to the credit of such members will be automatically carried forward to the new membership tenure and will continue to reflect in the system.
- Members who have attained the redemption threshold of 200 points during the membership tenure, but who do not qualify for the complimentary renewal of membership must completely utilize the points accumulated during the membership tenure within the period. These points cannot be carried forward and will automatically lapse upon the expiry of membership tenure.
- For members who have not attained the redemption threshold of 200 points during the membership tenure and whose membership has lapsed, the balance points to the credit of the member will automatically lapse at the expiry of membership tenure.

- Members can find out about the point status by calling and dedicated Clubwest desk at the Westside Stores on time before they lapse as the organization does not send any point statement.

Events	CLASSIC	GOLD
Enrolment	Same day purchase of Rs. 2000 or cash payment of Rs. 150	Same day Purchase of Rs. 5000
Associate Membership	YES	YES
Profile form	25 Bonus Points	50 Bonus Points
REWARD WEST Point accrual	1 point for every Rs.100 spent	1 point for every Rs.80 spent
GOURMET DELITE Special discounts at select restaurants	YES	YES
TREASURE WEST Special offers from our key partners	YES	YES
PRIVILEGES WEST Complimentary tea/coffee/drinks at Café West (at select Westside stores only)	-	YES
Exclusive Shopping Hours	YES	YES
Invites for Special events	-	YES
Home Delivery after Alternation (on minimum purchase of Rs. 2500)	-	YES

Table 4.8: Benefits of Clubwest membership program

CHAPTER - 5
DATA ANALYSIS AND
INTERPRETATION

5. DATA ANALYSIS AND INTERPRETATION

The present chapter analyses the customer relationship management practices in Indian organized retailing sector as a specific study on four selected departmental stores i.e. “Lifestyle”, “Pantaloon”, “Shoppers Stop” and “Westside”. The first section is focused on customer demographical profile, customer behaviour, perception of shopping, purchasing value, number of visits, product selection, and store selection priorities etc. This chapter describes the relationship strategies like benefits of membership card program, offers, discounts and home delivery services offered by stores. Finally, it concludes with technology services like technology features, communication channels such as SMS’s, emails, phone calls, online shopping and online money transaction.

5.1: SECTION – A: “DEMOGRAPHIC PROFILE”

Demographic profiling is an essential part for any research study. It contains basic information of respondents of the study which include customer age, gender, educational qualification, profession, income, names of stores and city name etc. The survey was conducted on 760 customers across four select cities, “Delhi, Mumbai, Hyderabad and Kolkata”. The customers were surveyed in the four select major retail chains, “Lifestyle, Shoppers Stop, Pantaloon, and Westside”. The demographic profiles of the customers are provided through the below analysis.

5.1.1. Age group classification of customers

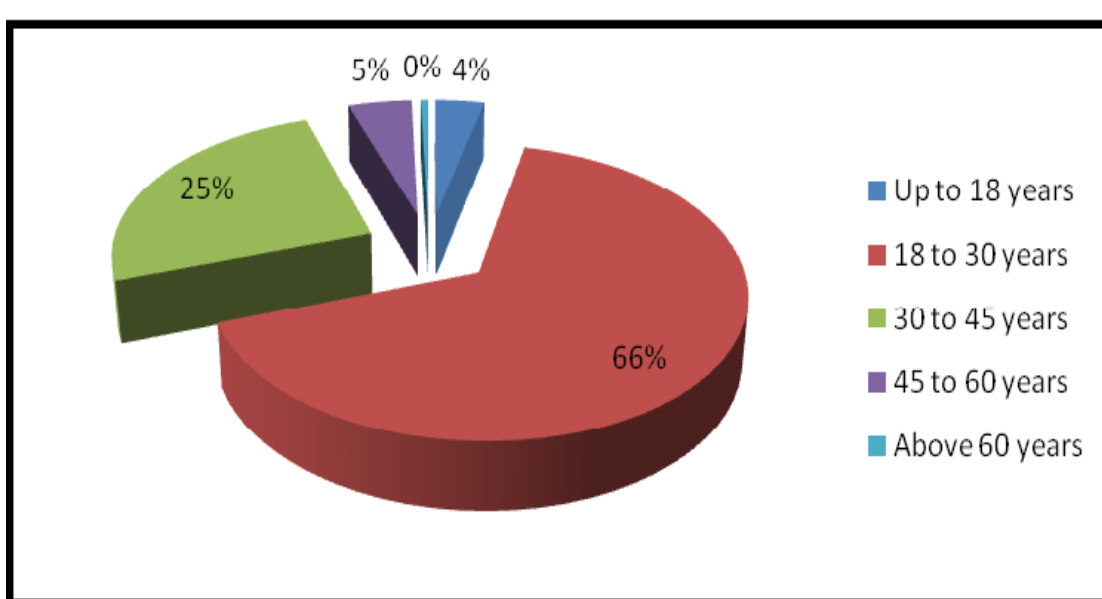


Figure 5.1 : Age group classification of customers

The above figure 5.1 represents the distribution of respondent age group. The respondents are divided into five age groups. Out of 760 respondents, 66.1 percent are between 18 and 30 years, 25.3 percent were from 30 to 45 years of age. There are few respondents from other age groups contributing to the rest. The highest number of respondents belongs to the age group 18 - 30. It clearly shows that most of the customers who visit these select organized outlets regularly are youth and their share in total sample is more than 60%.

5.1.2. Gender wise classification of Customer

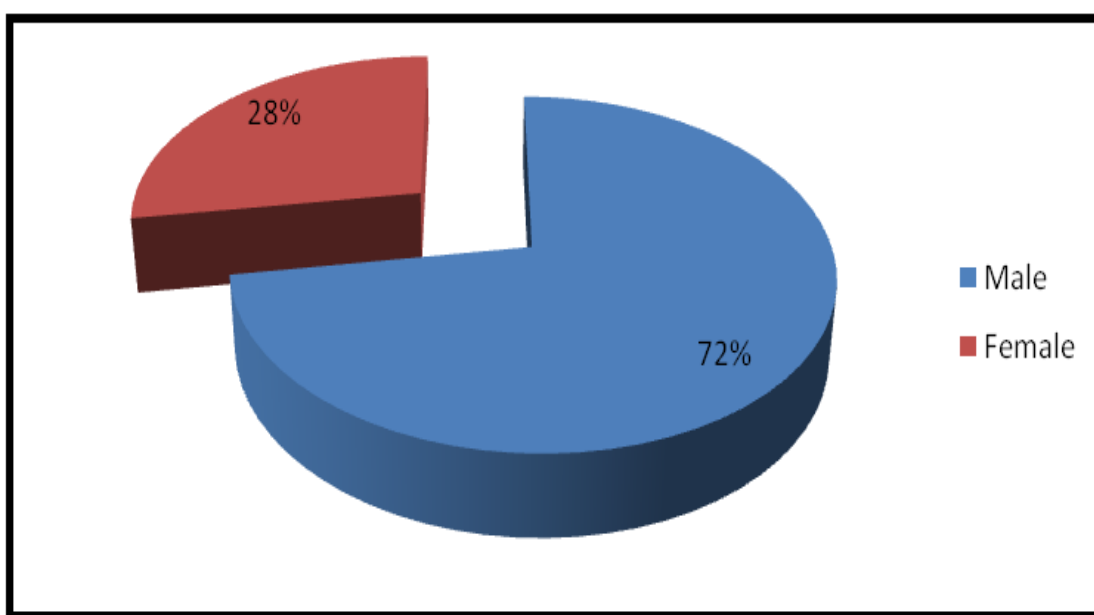


Figure 5.2 : Gender wise classification of Customer

The above figure 5.2 highlights that out of the total 760 respondents, male customers constitute 72.5 percent and female customers constitute 27.5 percent. It shows the large percentage of male customers' respondents in the study. The frequency denotes the number of respondents. In general female customers shopping percentage is also high. But in this study female customers did not respond like male customers.

5.1.3. Educational Qualification of Customer

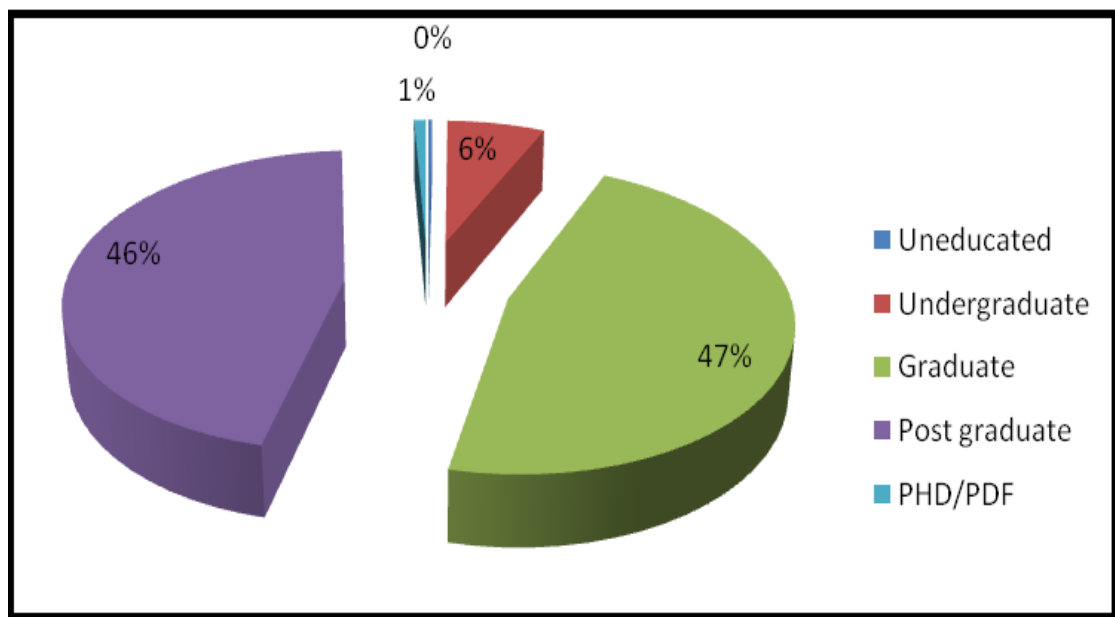


Figure 5.3 : Educational qualification of Customer

From the above figure 5.3 it can be inferred that the majority of respondents are well educated. As it is can be seen that 46.7 percent are graduated and 45.7 are post graduated. A realistic assumption can be made here that the respondents who visit these malls typically tend to have higher disposable incomes.

5.1.4. Profession wise classification of Customer

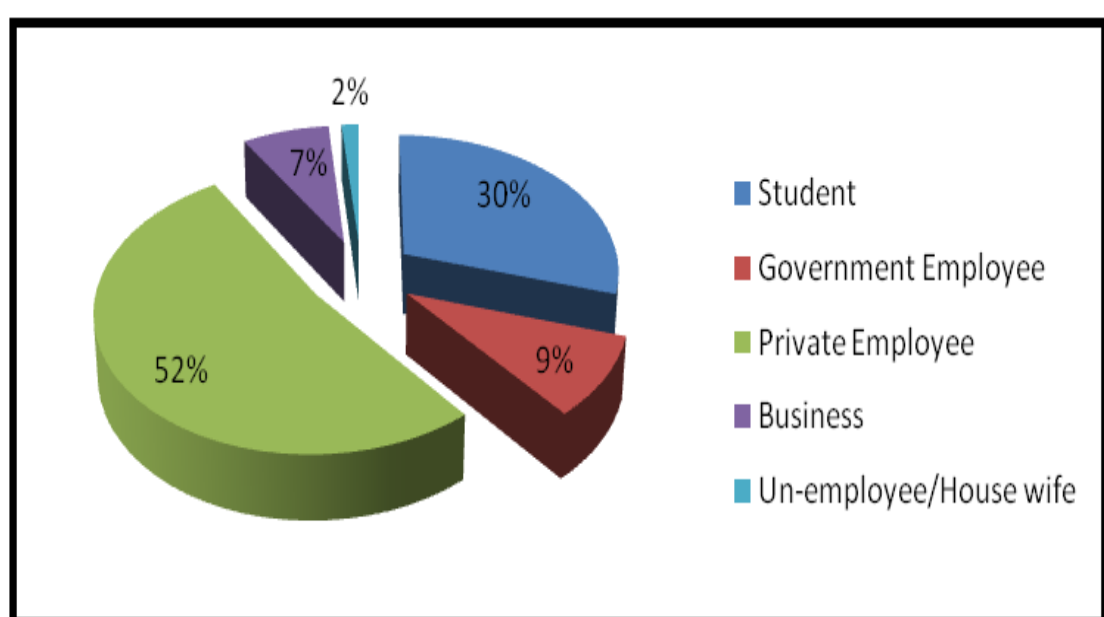


Figure 5.4 : Profession wise classification of Customer

The sample customers were spreaded in five different professions. They include Student, Government employee, Private employee, Business (self employed), and Un-employee/house wife. The majority of the respondents are private employees working in software companies, banks, etc. Next higher group of the respondents are Students, followed by Government employees. The private employees constitute a major share of 52.1 percent which is the highest among all the professions, where as Un-employee/house wife share the least percentage of 1.4 only.

5.1.5. Income wise classification of Customer

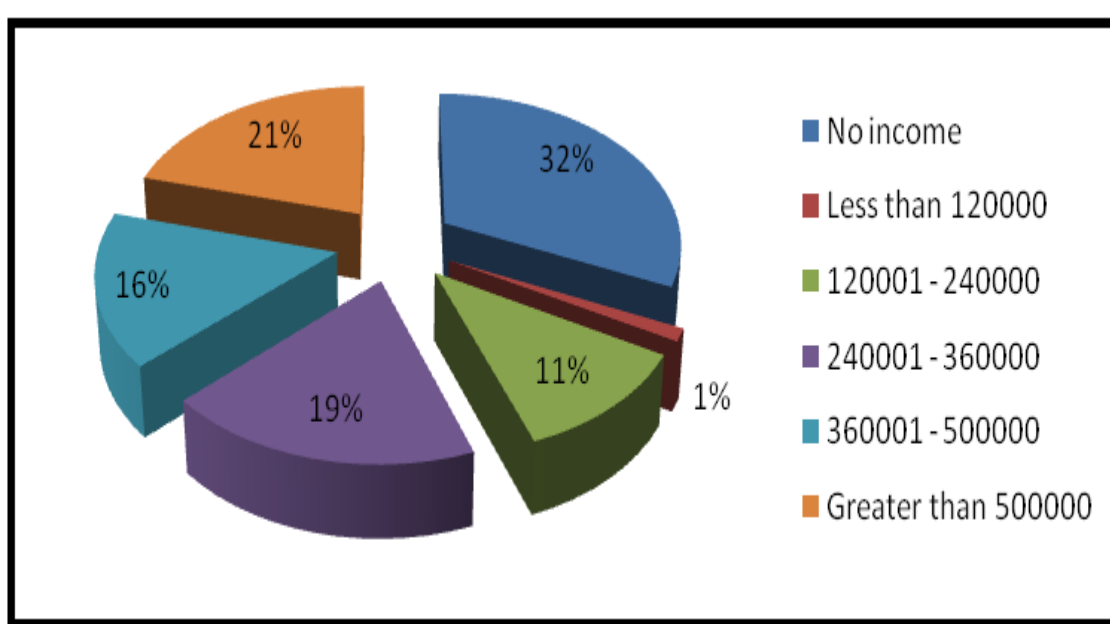


Figure 5.5 : Income wise classification of customer

The total respondents were divided into six groups. They include customers with annual income of no income/dependent, less than Rs. 120,000, Rs. 120,001 to Rs. 240,000, Rs. 240,001 to Rs. 360,000, Rs. 360,000 to Rs. 500,000 and greater than Rs. 500,000 per annum. It is surprising to see that around 31.8 percent of the respondents are from dependent group; where as 21 percent of the respondents belong to annual income group of more than Rs. 500,000. The income group of less than Rs. 120,000 per year is 1 percentage which is the least of the study.

5.1.6. Location of the Outlets/Store

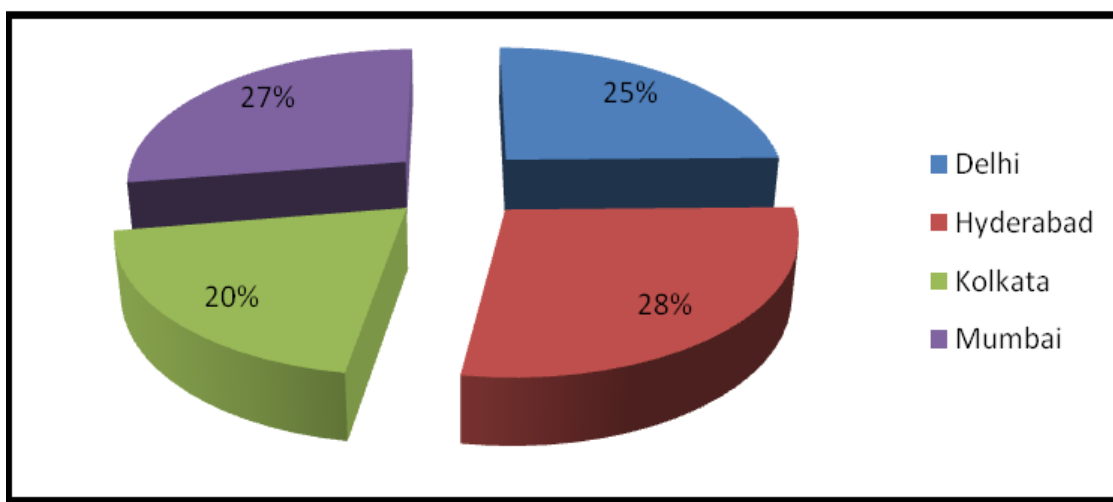


Figure 5.6 : Place of the Outlet

The cities chosen for the research study are Delhi, Hyderabad, Kolkata, and Mumbai. All these select four cities are located at four corners of the country. The main reasons for conducting the study across the four select cities include diversity in terms of culture, buying behaviour, spending habits etc. The distribution respondents across these cities are 24.7%, 27.8%, 20 % and 27.5% respectively.

5.1.7. Name of the Outlets/Store

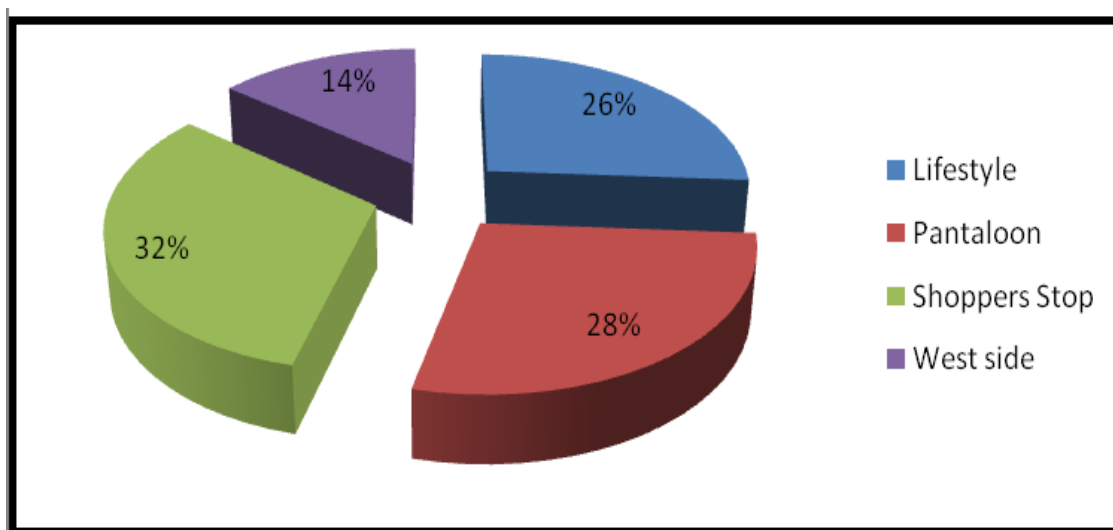


Figure 5.7 : Name of the Outlet

The four different stores: Lifestyle, Pantaloon, Shoppers Stop and Westside in the four cities were chosen for the study. The respondents for Shoppers Stop are highest with 32 percent followed by Pantaloon with 27.8 percent and Lifestyle with 26 percent. Westside contribute least share of 14 percent when compared to all the three outlets.

5.2: SECTION - B: CUSTOMER'S SHOPPING BEHAVIOUR

Customer awareness of the Outlet

Promotion is the most important functionality for any business organization. Promotion is one of the elements in marketing mix. All selected retailers Lifestyle, Pantaloon, Shoppers Stop and Westside follow different methods of promotional techniques like advertisements, SMS, Phone calls, e-mails, in store promotions etc. One of the objectives of the study is to identify the efficiency of the promotional channels and awareness levels through these channels.

5.2.1. Customer awareness of the outlet

Name of Store	Name of City	Personally aware	Family/ Relative	Friend/ Colleagues	Advertisements	Total
Lifestyle	Delhi	27 (50.0)	8 (14.8)	7 (13.0)	12 (22.2)	54 (100.0)
	Hyderabad	35 (44.9)	10 (12.8)	25 (32.1)	8 (10.3)	78 (100.0)
	Mumbai	26 (39.4)	6 (9.1)	22 (33.3)	12 (18.2)	66 (100.0)
	Total	88 (44.4)	24 (12.1)	54 (27.3)	32 (16.2)	198 (100.0)
Pantaloon	Delhi	29 (55.8)	9 (17.3)	6 (11.5)	8 (15.4)	52 (100.0)
	Hyderabad	27 (54.0)	0 (.0)	16 (32.0)	7 (14.0)	50 (100.0)
	Kolkata	26 (44.1)	5 (8.5)	18 (30.5)	10 (16.9)	59 (100.0)
	Mumbai	23 (46.0)	6 (12.0)	8 (16.0)	13 (26.0)	50 (100.0)
	Total	105 (49.8)	20 (9.5)	48 (22.7)	38 (18.0)	211 (100.0)
Shoppers Stop	Delhi	21 (38.2)	10 (18.2)	23 (41.8)	1 (1.8)	55 (100.0)
	Hyderabad	29 (50.9)	4 (7.0)	17 (29.8)	7 (12.3)	57 (100.0)
	Kolkata	37 (53.6)	9 (13.0)	19 (27.5)	4 (5.8)	69 (100.0)
	Mumbai	28 (45.2)	5 (8.1)	19 (30.6)	10 (16.1)	62 (100.0)
	Total	115 (47.3)	28 (11.5)	78 (32.1)	22 (9.1)	243 (100.0)
Westside	Delhi	22 (81.5)	0 (.0)	4 (14.8)	1 (3.7)	27 (100.0)
	Hyderabad	12 (46.2)	4 (15.4)	8 (30.8)	2 (7.7)	26 (100.0)
	Kolkata	13 (54.2)	2 (8.3)	6 (25.0)	3 (12.5)	24 (100.0)
	Mumbai	14 (45.2)	4 (12.9)	12 (38.7)	1 (3.2)	31 (100.0)
	Total	61 (56.5)	10 (9.3)	30 (27.8)	7 (6.)	108 (100.0)

Table 5.1: Customer awareness of the stores in four cities

The table above records the source of awareness of the customers about the Store. The customer survey is recorded in four different cities (Delhi, Hyderabad, Kolkata, and Mumbai) in four different stores (Lifestyle, Pantaloon, Shoppers Stop, and Westside). The study tries to know the customer's store awareness. Four options - "Personally aware", "Family/Relative", "Friend/Colleagues", and "Advertisement" are given to find out how the customer knows the store. Majority of the respondents recorded that they are "Personally aware" of the Store, followed by "Friend/Colleagues".

Out of 198 respondents at Lifestyle store from four different cities, 44.4% of them reported that they have personal awareness towards the Store. Lifestyle of Delhi recorded the highest Personal awareness i.e. 50.0% out of 88 respondents.

Out of 211 respondents at Pantaloon store from four different cities, 49.8% of them reported that they have personal awareness towards the store. Pantaloon of Delhi recorded the highest personal awareness i.e. 55.8% out of 105 responses.

Out of 243 respondents at Shoppers' Stop store from four different cities, 46.9% of them reported that they have personal awareness towards the store. Shoppers Stop of Kolkata the highest recorded personal awareness i.e. 53.6% out of 114 responses.

Out of 108 respondents at Westside mall from four different cities, 56.5% of them reported that they have personal awareness towards the Store. Westside of Delhi recorded the highest personal awareness i.e. 81.5% out of 61 responses.

Overall observation from the study provides a valuable insight that the highest number of customers are personally aware of the four stores followed by awareness through friends/colleagues and advertisement. This information is common to all the four stores of customers in all selected cities.

5.2.2. Duration of customer experience of outlets

Name of the Outlet	0-1 Years	1-3 Year	3-5Years	Above 5 Years	Non Regular Customers	Total
Lifestyle	53 (26.8)	54 (27.3)	15 (7.6)	7 (3.5)	69 (34.8)	198 (100)
Pantaloon	51 (24.2)	48 (22.7)	14 (6.6)	14 (6.6)	84 (39.8)	211 (100)
Shoppers Stop	52 (21.4)	74 (30.5)	24 (9.9)	24 (9.9)	69 (28.4)	243 (100)
Westside	18 (16.7)	27 (25.0)	13 (12.0)	11 (10.2)	39 (36.1)	108 (100)
Total	174 (22.9)	203 (26.7)	66 (8.7)	56 (7.4)	261 (34.3)	760 (100)

Table 5.2: customer experience with stores

The table 5.2 holds the total period of respondent's experience with Store. The period of experience was recorded on different scales of 0-1 years, 1-3 years, 3-5 years, above 5 years, and non regular. Majority of the respondents reported 1-3 years of experience with Store. On average around 35% respondents from the total reported as non regular.

Out of 198 Lifestyle respondents, 129 customers have responded as regular customers to the store. Out of those customers, more than 50% have had an association with Lifestyle for less than 3 years. 34.8% are non regular customers.

Out of 211 Pantaloon respondents, 127 customers have responded as regular customers to the store. Out of those customers, more than 46.9% have had an association with Pantaloon for less than 3 years. 39.8% are non regular customers.

Out of 243 Shoppers Stop respondents, 174 customers have responded as regular customers to the store. Out of those customers, more than 50% have had an association with Shopper's Stop for less than 3 years. 28.4% are non regular customers.

Out of 108 Westside respondents 69 customers have responded as regular customers to the store. Out of those customers, more than 41% have had an association with Westside for less than 3 years. 36.1% are non regular customers.

It is evident from the study that, most of the customers have an association with the retail outlets for less than 3 years period.

City wise data is furnished in below table 5.3: in next page (page N0 162)

Name of the Outlet	Customer age group	Delhi : Number of Visit the Stores				Total	Hyderabad : Number of Visit the Stores				Total
		1-6 Times	6-12 Times	12-18 Times	More than 18 Times		1-6 Times	6-12 Times	12-18 Times	More than 18 Times	
Lifestyle	18 to 30 years	14 (36.8)	17 (44.7)	1 (2.6)	6 (15.8)	38 (100)	30 (51.7)	19 (32.8)	6 (10.3)	3 (5.2)	58 (100)
	30 to 45 years	6 (54.5)	5 (45.5)	0 (.0)	0 (.0)	11 (100)	10 (58.8)	7 (41.2)	0 (.0)	0 (.0)	17 (100)
	45 to 60 years	4 (100)	0 (.0)	0 (.0)	0 (.0)	4 (100)	1 (100)	0 (.0)	0 (.0)	0 (.0)	1 (100)
	Above 60 years	1 (100)	0 (.0)	0 (.0)	0 (.0)	1 (100)	2 (100)	0 (.0)	0 (.0)	0 (.0)	2 (100)
	Total	25 (46.3)	22 (40.7)	1 (1.9)	6 (11.1)	54 (100)	43 (55.1)	26 (33.3)	6 (7.7)	3 (3.8)	78 (100)
Pantaloon	Up to 18 years	0 (.0)	0 (.0)	2 (66.7)	1 (33.3)	3 (100)	1 (100)	0 (.0)	0 (.0)	0 (.0)	1 (100)
	18 to 30 years	16 (45.7)	12 (34.3)	2 (5.7)	5 (14.3)	35 (100)	27 (69.2)	9 (23.1)	1 (2.6)	2 (5.1)	39 (100)
	30 to 45 years	4 (44.4)	4 (44.4)	0 (.0)	1 (11.1)	9 (100)	4 (44.4)	4 (44.4)	1 (11.1)	0 (.0)	9 (100)
	45 to 60 years	1 (50.0)	1 (50.0)	0 (.0)	0 (.0)	2 (100)	1 (100)	0 (.0)	0 (.0)	0 (.0)	1 (100)
	Above 60 years	1 (33.3)	2 (66.7)	0 (.0)	0 (.0)	3 (100)	0 (.0)	0 (.0)	0 (.0)	0 (.0)	0 (.0)
	Total	22 (42.3)	19 (36.5)	4 (7.7)	7 (13.5)	52 (100)	33 (66.0)	13 (26.0)	2 (4.0)	2 (4.0)	50 (100)
Shoppers Stop	Up to 18 years	1 (100.0)	0 (.0)	0 (.0)	0 (.0)	1 (100)	2 (100)	0 (.0)	0 (.0)	0 (.0)	2 (100)
	18 to 30 years	21 (55.3)	6 (15.8)	5 (13.2)	6 (15.8)	38 (100)	13 (41.9)	11 (35.5)	4 (12.9)	3 (9.7)	31 (100)
	30 to 45 years	7 (46.7)	8 (53.3)	0 (.0)	0 (.0)	15 (100)	17 (73.9)	5 (21.7)	1 (4.3)	0 (.0)	23 (100)
	45 to 60 years	1 (100)	0 (.0)	0 (.0)	0 (.0)	1 (100)	0 (.0)	1 (100)	0 (.0)	0 (.0)	1 (100)
	Total	30 (54.5)	14 (25.5)	5 (9.1)	6 (10.9)	55 (100)	32 (56.1)	17 (29.8)	5 (8.8)	3 (5.3)	57 (100)
Westside	18 to 30 years	10 (45.5)	3 (13.6)	6 (27.3)	3 (13.6)	22 (100)	11 (50.0)	6 (27.3)	4 (18.2)	1 (4.5)	22 (100)
	30 to 45 years	1 (33.3)	0 (.0)	2 (66.7)	0 (.0)	3 (100)	1 (50.0)	1 (50.0)	0 (.0)	0 (.0)	2 (100)
	45 to 60 years	2 (100)	0 (.0)	0 (.0)	0 (.0)	2 (100)	0 (.0)	2 (100)	0 (.0)	0 (.0)	2 (100)
	Total	13 (48.1)	3 (11.1)	8 (29.6)	3 (11.1)	27 (100)	12 (46.2)	9 (34.6)	4 (15.4)	1 (3.8)	26 (100)

		Kolkata: Number of Visit the Stores					Mumbai: Number of Visit the Stores				
Lifestyle	18 to 30 years	0 (.0)	0 (.0)	0 (.0)	0 (.0)	0 (.0)	7 (100)	0 (.0)	0 (.0)	0 (.0)	7 (100)
	30 to 45 years	0 (.0)	0 (.0)	0 (.0)	0 (.0)	0 (.0)	22 (47.8)	10 (21.7)	7 (15.2)	7 (15.2)	46 (100)
	45 to 60 years	0 (.0)	0 (.0)	0 (.0)	0 (.0)	0 (.0)	4 (36.4)	5 (45.5)	2 (18.2)	0 (.0)	11 (100)
	Above 60 years	0 (.0)	0 (.0)	0 (.0)	0 (.0)	0 (.0)	2 (100)	0 (.0)	0 (.0)	0 (.0)	2 (100)
	Total	0 (.0)	0 (.0)	0 (.0)	0 (.0)	0 (.0)	35 (53.0)	15 (22.7)	9 (13.6)	7 (10.6)	66 (100)
Pantaloon	Up to 18 years	1 (50.0)	0 (.0)	0 (.0)	1 (50.0)	2 (100)	2 (66.7)	0 (.0)	0 (.0)	1 (33.3)	3 (100)
	18 to 30 years	17 (42.5)	10 (25.0)	6 (15.0)	7 (17.5)	40 (100)	12 (48.0)	9 (36.0)	0 (.0)	4 (16.0)	25 (100)
	30 to 45 years	10 (66.7)	4 (26.7)	1 (6.7)	0 (.0)	15 (100)	11 (78.6)	3 (21.4)	0 (.0)	0 (.0)	14 (100)
	45 to 60 years	1 (50.0)	1 (50.0)	0 (.0)	0 (.0)	2 (100)	2 (25.0)	6 (75.0)	0 (.0)	0 (.0)	8 (100)
	Total	29 (49.2)	15 (25.4)	7 (11.)	8 (13.)	59 (100)	27 (54.0)	18 (36.0)	0 (.0)	5 (10.0)	50 (100)
Shoppers Stop	Up to 18 years	1 (100)	0 (.0)	0 (.0)	0 (.0)	1 (100)	2 (100)	0 (.0)	0 (.0)	0 (.0)	2 (100)
	18 to 30 years	18 (42.9)	13 (31.0)	6 (14.3)	5 (11.9)	42 (100)	19 (61.3)	2 (6.5)	3 (9.7)	7 (22.6)	31 (100.0)
	30 to 45 years	10 (45.5)	11 (50.0)	1 (4.5)	0 (.0)	22 (100)	14 (50.0)	11 (39.3)	2 (7.1)	1 (3.6)	28 (100)
	45 to 60 years	2 (50.0)	2 (50.0)	0 (.0)	0 (.0)	4 (100)	0 (.0)	1 (100)	0 (.0)	0 (.0)	1 (100)
	Total	31 (44.9)	26 (37.7)	7 (10.1)	5 (7.2)	69 (100)	35 (56.5)	14 (22.6)	5 (8.1)	8 (12.9)	62 (100)
Westside	Up to 18 years	0 (.0)	0 (.0)	0 (.0)	1 (100)	1 (100.0)	2 (100)	0 (.0)	0 (.0)	0 (.0)	2 (100)
	18 to 30 years	7 (41.2)	7 (41.2)	1 (5.9)	2 (11.8)	17 (100)	9 (50.0)	4 (22.2)	3 (16.7)	2 (11.1)	18 (100)
	30 to 45 years	3 (60.0)	1 (20.0)	1 (20.0)	0 (.0)	5 (100)	5 (62.5)	2 (25.0)	1 (12.5)	0 (.0)	8 (100)
	45 to 60 years	1 (100)	0 (.0)	0 (.0)	0 (.0)	1 (100)	3 (100)	0 (.0)	0 (.0)	0 (.0)	3 (100)
	Total	11 (45.8)	8 (33.3)	2 (8.3)	3 (12.5)	24 (100)	19 (61.3)	6 (19.4)	4 (12.9)	2 (6.5)	31 (100)

5.2.3. Number of visits of a customer per year

The table 5.3 recorded the number of visits to the stores by the respondents. The survey has been done in four different stores (Lifestyle, Pantaloon, Shoppers stop, and Westside) at four different locations (Delhi, Hyderabad, Kolkata, and Mumbai). The respondents are segmented into the age groups of up to 18 years, 18 to 30 years, 30 to 45 years, 45 to 60 years, and Above 60 years. The number of visits is recorded in the group of 1-6 times, 6-12 times, 12-18 times, and more than 18 times. An average respondent visits the Stores 1-6 times.

5.2.3.1. Respondents from Delhi

Out of 54 Lifestyle respondents, 25 customers visit the store 1 to 6 times per year. Majority of the customers belong to 18 to 30 years age group. 22 customers visit the store 6 to 12 times per year. 17 out of these 22 customers belong to 18 to 30 years of age. The customers aged between 30 and 45 are the most frequent visitors of the stores.

Out of 52 Pantaloons respondents, 22 customers visit the store 1 to 6 times per year. 16 out of these 22 customers belong to 18 to 30 years of age. 19 customers out of 52 visit the store 6 to 12 times per year. 12 customers out of 19 are in 18 to 30 years of age. The customers aged between 30 and 45 are the most frequent visitors of the stores.

Out of 55 Shoppers Stop respondents, 30 customers visit the store 1 to 6 times per year. Out of them, 21 customers belong to 18 to 30 years age group. 14 out of 54 customers visit the store 6 to 12 times per year. 8 out of these 14 customers belong to 30 to 45 years age group.

Out of 27 Westside respondents, 10 customers visit the store 1 to 6 times per year. They belong to 18 to 30 years age group. 6 out of these 10 customers visit the store 12 to 18 times per year.

5.2.3.2. Respondents from Hyderabad

Out of 78 Lifestyle respondents, 43 customers visit the store 1 to 6 times per year. 30 customers of 43 belong to 18 to 30 years age group. Out 78 customers 26 customers

visit the store 6 to 12 times per year. 19 out of 26 customers belong to 18 to 30 years age group.

Out of 50 Pantaloon respondents, 33 customers visit the store 1 to 6 times per year. 27 customers out of 33 belong to 18 to 30 years age group. Out of 27 customers, 13 visit the store 6 to 12 times per year.

Out of 57 Shoppers Stop respondents, 32 customers visit the store 1 to 6 times per year, 17 customers of 32 belong to 30 to 45 of age. 13 customers out of them belong to 18 to 30 years age group. 17 out of 58 customers visit the store 6 to 12 times per year.

Out of 26 Westside respondents, 12 customers visit the store 1 to 6 times per year. 11 customers out of 12 belong to 18 to 30 years age group.

5.2.3.3. Respondents from Kolkata

Out of 59 Pantaloon respondents, 29 customers visit the store 1 to 6 times per year. 17 of them belong to 18 to 30 years age group.

Out of 69 Shoppers Stop respondents, 31 visit the store 1 to 6 times and 26 respondents visit the store 6 to 12 times per year. 18, 13 highest numbers of customers are belonging to age group of 18 to 30 and 30 to 45 years respectively.

Out of 24 Westside respondents, 11 visit the store 1 to 6 times and 8 respondents visit the store 6 to 12 times per year. Most of the customers belong to 18 to 30 of age.

5.2.3.4. Respondents from Mumbai

Out of 66 Lifestyle respondents, 35 & 15 respondents visit the store 1 - 6 times and 6 to 12 times per year respectively. 22 out of 35 customers belong to 30 - 45 years of age. Most of the respondents out of 15 belong to 18 to 30 years age group.

Out of 50 Pantaloon respondents, 27 & 18 respondents visit the store 1 to 6 times and 6 to 12 times per year respectively. 12 & 11 out 27 customers belong to 18 to 30 and 30 to 45 years of age respectively.

Out of 62 Shoppers Stop respondents, 35 & 14 respondents visit the store 1 to 6 times and 6 to 12 times per year respectively. 19 & 14 out 35 customers belong to 18 to 30 and 30 to 45 years of age respectively.

Out of 31 Westside respondents, 19 respondents visit the store 1 to 6 times per year. 9 out of 19 customers belong to 18 to 30 years of age.

5.2.4. Overall information of customer visits per year

Name of the Outlet	1-6 Times	6-12 Times	12-18 Times	More than 18 Times	Total
Lifestyle	103 (52.0)	63 (31.8)	16 (8.1)	16 (8.1)	198 (100)
Pantaloon	111 (52.6)	65 (30.8)	13 (6.2)	22 (10.4)	211 (100)
Shoppers Stop	128 (52.7)	71 (29.2)	22 (9.1)	22 (9.1)	243 (100)
Westside	55 (50.9)	26 (24.1)	18 (16.7)	9 (8.3)	108 (100)

Table 5.4: Overall data of customer's visits for shopping

The table 5.4 displays the frequency of store visits by the respondents. Majority of the respondents (from all four outlets) visit the outlet at least 1 to 6 times in a year. Out of 198 Lifestyle respondents, 52% reported that they visit 1 to 6 times and 8.1% reported that they visit the outlets more than 18 times per year. 52.6% out of 211 Pantaloon respondents reported that they visit the outlet 1 to 6 times and 10.4% reported that they visit the outlet more than 18 times per year. Out of 243 Shoppers Stop respondents, 52.7% reported that they visit the outlet 1 to 6 times and 9.1% reported that they visit the outlet more than 18 times per year. Out of 108 Westside respondents, 50.9% reported that they visit the outlet 1 to 6 times and 8.3% reported that they visit the outlet more than 18 times per year. And around a quarter of respondents from all stores visit the outlets 6 to 12 times in a single year.

It clearly indicates that the customer's visits in a year of all the four outlets are almost all the same. 52% of customers visit these four outlets 1 to 6 times per year. 24.1% customers visit these outlets 6 to 12 times per year.

5.2.5. Customer's purchasing potential in the outlet per visit

Name of the Outlet	Less than Rs 1000	1001-5000	5001- 10000	Above 10000	Total
Life style	37 (18.7)	129 (65.2)	26 (13.1)	6 (3.0)	198 (100)
Pantaloon	42 (19.9)	135 (64.0)	24 (11.4)	10 (4.7)	211 (100)
Shoppers stop	20 (8.2)	163 (67.1)	38 (15.6)	22 (9.1)	243 (100)
West side	22 (20.4)	69 (63.9)	15 (13.9)	2 (1.9)	108 (100)
Total	121 (15.9)	496 (65.3)	103 (13.6)	40 (5.3)	760 (100)

Table 5.5: Customer purchase level on average during a visit

The table 5.5 shows the frequency of customer's purchasing worth during a visit. The frequency is divided into 4 categories: less than Rs. 1,000, Rs. 1,001 - Rs. 5,000, Rs. 5,001 - Rs. 10,000 and above Rs. 10,000. Majority of respondents i.e., 65.3% (from all four outlets) spends Rs. 1,001- Rs. 5,000 during a visit. Out of 198 Lifestyle respondents, 65.2% spends Rs. 1001 - 5000 per visit, 3% purchases above Rs. 10,000 per visit. Out of 211 Pantaloon respondents, 64% buys goods worth of Rs. 1001- 5000 per visit and 4.7% purchases above 10000 per visit.

Out of 243 Shoppers stop respondents, 67.1% respondents spend Rs. 1,001- Rs. 5,000 per year and 9.1% respondents buy goods worth above Rs. 10,000 in a visit. The category 4 respondents i.e., above Rs. 10,000 are high in number at Shoppers' Stop when compared to other three stores in this section. Out of 108 Westside respondents, 63.9% said that they spend Rs. 1,001- Rs. 5,000 per year. 5.3% respondents buy things worth above Rs. 10,000 per year.

The data proves that 65.5% of the customers spend Rs. 1,001 - Rs. 5,000 per visit in all the four stores, followed by 15.9% who spend below Rs. 1,000. Customers who purchase above Rs. 10,000 are very less, i.e., 5.3%. This insightful information can help retail chains while pricing their products.

City wise data: (Reference in Appendices)

5.2.5.1. Delhi Respondents

Out of 54 Lifestyle respondents, 61.1% are in Rs 1,001- Rs 5,000 purchasing potential. 18.5% are in less than Rs. 1,000 purchasing potential.

Out of 52 Pantaloon respondents, 48.1% are in Rs 1,001- Rs 5,000 purchasing potential. 30.8% are in less than Rs. 1,000 purchasing potential.

Out of 55 Shoppers stop respondents, 65.5% are in Rs 1,001- Rs 5,000 purchasing potential. 16.4% are in less than Rs. 1,000 purchasing potential.

Out of 27 Life style respondents, 51.9% are in Rs 1,001- Rs 5,000 purchasing potential. 29.6% are in less than Rs. 1,000 purchasing potential.

5.2.5.2. Hyderabad Respondents

Out of 78 Life style respondents, 76.9% are in Rs1,001- Rs 5,000 purchasing potential. 14.1% are in less than Rs. 1,000 purchasing potential.

Out of 50 Pantaloon respondents, 68.0% are in Rs1,001- Rs 5,000 purchasing potential. 16.0% are in less than Rs. 1,000 purchasing potential.

Out of 57 Shoppers stop respondents, 71.9% are in Rs1,001- Rs 5,000 purchasing potential. 15.8% are in Rs. 5, 001- Rs 10,000 purchasing potential.

Out of 26 West side respondents, 69.2% are in Rs1,001- Rs 5,000 purchasing potential. 15.4% are in less than Rs. 1,000 purchasing potential.

5.2.5.3. Kolkata Respondents

Out of 59 Pantaloon respondents, 81.4% are in Rs1,001- Rs 5,000 purchasing potential. 8.5% are in less than Rs. 1,000 purchasing potential.

Out of 69 Shoppers stop respondents, 65.2% are in Rs1,001- Rs 5,000 purchasing potential. 15.9% are in Rs5,001-Rs 10,000 purchasing potential.

Out of 24 West side respondents, 70.8% are in Rs1,001- Rs 5,000 purchasing potential. 16.7% are in less than Rs. 1,000 purchasing potential.

5.2.5.4. Mumbai Respondents

Out of 66 Life style respondents, 54.5% are in Rs1,001- Rs 5,000 purchasing potential. 24.2% are in less than Rs. 1,000 purchasing potential.

Out of 50 Pantaloon respondents, 56.0% are in Rs1,001- Rs 5,000 purchasing potential. 26.0% are in less than Rs. 1,000 purchasing potential.

Out of 62 Shoppers stop respondents, 66.1% are in Rs1,001- Rs 5,000 purchasing potential. 17.7% are in Rs5,001- Rs 10,000 purchasing potential.

Out of 31 West side respondents, 64.5% are in Rs1,001- Rs 5,000 purchasing potential. 19.4% are in less than Rs. 1,000 purchasing potential.

5.2.6. Advantages of organized Retail Store compare to unorganized store

This research brings out customer opinion about preference of selecting organized outlets compared to unorganized outlets. Customers opine: “Saving time, Product availability, Touch free of the product, Special offers/Discounts, Product price, Selection of product and Service level” make them turn to organized retail store. It’s an imperative that the retail stores understand the preference of customers towards shopping. With the help of this information, the retail stores can employ innovative strategies to retain a customer.

The table 5.6 presents the advantages of organized retail store compared to unorganized store. The respondents are surveyed on different attributes of shopping like “Saving time, Product Avail, Touch Free, Offers/Discount, Product Price, Selection of Product, Quality of Product, and Good Service”. An option “All” is given in the questionnaire, asking respondents to mark it, if they believe all the attributes make them to turn to organized retail store. Though majority of respondents marked “All”, the researcher has enquired about the priority of individual attributes. Product Avail, Offers/Discount and Quality Product are the advantages of organized Retail store compared to unorganized store from most to least according to respondents.

Out of 198 Lifestyle respondents, 10.1% marked Product Avail, 5.1% marked Quality of Product and 4.5% marked Saving time as individual attributes.

Out of 211 Pantaloon respondents, 10.0% marked Product Avail, 6.2% marked for Offers/Discount and Selection of Product as individual attributes.

Out of 243 Shoppers Stop respondents, 8.6% marked Product Avail, 7.8% marked Quality of Product and 5.8% marked Saving Time as individual attributes.

Out of 108 Westside respondents, 13.0% marked Product Avail, 6.5% marked Offers/Discount, and 5.6% marked Saving Time as individual attributes.

Customers prefer the stores/malls where all merchandise is available. The data distinctly depicts that most of the customers across the four cities of four stores prefer quality of products, offers/discounts, product availability, and saving time

Name of Outlet	Name of the City	Saving time	Product Avail	Touch Free	Offers/ Discount	product Price	Selection of Product	Quality Product	Good Service	All	Total
Lifestyle	Delhi	2 (3.7)	7 (13.0)	0 (.0)	0 (.0)	0 (.0)	0 (.0)	2 (3.7)	1 (1.9)	42 (77.8)	54 (100)
	Hyderabad	5 (6.4)	5 (6.4)	1 (1.3)	0 (.0)	0 (.0)	5 (6.4)	7 (9.0)	2 (2.6)	53 (67.9)	78 (100)
	Mumbai	2 (3.0)	8 (12.1)	0 (.0)	0 (.0)	0 (.0)	1 (1.5)	1 (1.5)	2 (3.0)	52 (78.8)	66 (100)
	Total	9 (4.5)	20 (10.1)	1 (.5)	0 (.0)	0 (.0)	6 (3.0)	10 (5.1)	5 (2.5)	147 (74.2)	198 (100)
Pantaloon	Delhi	3 (5.8)	8 (15.4)	1 (1.9)	4 (7.7)	1 (1.9)	2 (3.8)	1 (1.9)	0 (.0)	32 (61.5)	52 (100)
	Hyderabad	5 (10.0)	2 (4.0)	0 (.0)	2 (4.0)	0 (.0)	3 (6.0)	2 (4.0)	2 (4.0)	34 (68.0)	50 (100)
	Kolkata	0 (.0)	7 (11.9)	0 (.0)	3 (5.1)	0 (.0)	3 (5.1)	3 (5.1)	0 (.0)	43 (72.9)	59 (100)
	Mumbai	3 (6.0)	4 (8.0)	1 (2.0)	4 (8.0)	0 (.0)	5 (10.0)	3 (6.0)	0 (.0)	30 (60.0)	50 (100)
	Total	11 (5.2)	21 (10.0)	2 (.9)	13 (6.2)	1 (.5)	13 (6.2)	9 (4.3)	2 (.9)	139 (65.9)	211 (100)
Shoppers Stop	Delhi	0 (.0)	0 (.0)	0 (.0)	4 (7.3)	1 (1.8)	1 (1.8)	4 (7.3)	3 (5.5)	42 (76.4)	55 (100)
	Hyderabad	0 (.0)	7 (12.3)	1 (1.8)	2 (3.5)	0 (.0)	2 (3.5)	5 (8.8)	0 (.0)	40 (70.2)	57 (100)
	Kolkata	6 (8.7)	9 (13.0)	0 (.0)	5 (7.2)	1 (1.4)	0 (.0)	7 (10.1)	1 (1.4)	40 (58.0)	69 (100)
	Mumbai	8 (12.9)	5 (8.1)	0 (.0)	4 (6.5)	0 (.0)	1 (1.6)	3 (4.8)	2 (3.2)	39 (62.9)	62 (100)
	Total	14 (5.8)	21 (8.6)	1 (.4)	15 (6.2)	2 (.8)	4 (1.6)	19 (7.8)	6 (2.5)	161 (66.3)	243 (100)
Westside	Delhi	0 (.0)	2 (7.4)	0 (.0)	0 (.0)	0 (.0)	0 (.0)	4 (14.8)	0 (.0)	21 (77.8)	27 (100)
	Hyderabad	3 (11.5)	5 (19.2)	0 (.0)	2 (7.7)	0 (.0)	3 (11.5)	0 (.0)	0 (.0)	13 (50.0)	26 (100)
	Kolkata	3 (12.5)	3 (12.5)	0 (.0)	0 (.0)	0 (.0)	1 (4.2)	0 (.0)	0 (.0)	17 (70.8)	24 (100)
	Mumbai	0 (.0)	4 (12.9)	0 (.0)	5 (16.1)	1 (3.2)	1 (3.2)	1 (3.2)	1 (3.2)	18 (58.1)	31 (100)
	Total	6 (5.6)	14 (13.0)	0 (.0)	7 (6.5)	1 (.9)	5 (4.6)	5 (4.6)	1 (.9)	69 (63.9)	108 (100)

Table 5.6: Advantages perceived by customer from organized retail outlet

5.2.7. Store and City wise Price Comparison

Place of the Mall	Name of the Outlet	Price comparing of store to stores						Total
		Strongly disagree	Moderately disagree	neither/nor	Moderately agree	Strongly agree	Not Aware	
Delhi	Lifestyle	2 (3.7)	36 (66.7)	13 (24.1)	2 (3.7)	0 (.0)	1 (1.9)	54 (100)
	Pantaloon	19 (36.5)	20 (38.5)	10 (19.2)	2 (3.8)	0 (.0)	1 (1.9)	52 (100)
	Shoppers Stop	9 (16.4)	36 (65.5)	9 (16.40)	1 (1.8)	0 (.0)	0 (.0)	55 (100)
	Westside	9 (33.3)	13 (48.1)	4 (14.8)	1 (3.7)	0 (.0)	0 (.0)	27 (100)
	Total	39 (20.7)	105 (55.9)	36 (19.1)	6 (3.2)	0 (.0)	2 (1.1)	188 (100)
Hyderabad	Lifestyle	11 (14.1)	38 (48.7)	27 (34.6)	2 (2.6)	0 (.0)	0 (.0)	78 (100)
	Pantaloon	20 (40.0)	13 (26.0)	14 (28.0)	0 (.0)	1 (2.0)	2 (4.0)	50 (100)
	Shoppers Stop	3 (5.3)	17 (29.8)	33 (57.9)	3 (5.3)	0 (.0)	1 (1.8)	57 (100)
	Westside	6 (23.1)	8 (30.8)	11 (42.3)	1 (3.8)	0 (.0)	0 (.0)	26 (100)
	Total	40 (19.0)	76 (36.0)	85 (40.3)	6 (2.8)	1 (.5)	3 (1.4)	211 (100)
Kolkata	Pantaloon	13 (22.0)	21 (35.6)	19 (32.2)	4 (6.8)	1 (1.7)	1 (1.7)	59 (100)
	Shoppers Stop	9 (13.0)	26 (37.7)	28 (40.6)	5 (7.2)	0 (.0)	1 (1.4)	69 (100)
	Westside	5 (20.8)	15 (62.5)	2 (8.3)	2 (8.3)	0 (.0)	0 (.0)	24 (100)
	Total	27 (17.8)	62 (40.8)	49 (32.2)	11 (7.2)	1 (.7)	2 (1.3)	152 (100)
Mumbai	Lifestyle	2 (3.0)	22 (33.3)	34 (51.5)	4 (6.1)	0 (.00)	4 (6.1)	66 (100)
	Pantaloon	0 (.0)	26 (52)	16 (32.0)	5 (10.0)	0 (.0)	3 (6.0)	50 (100)
	Shoppers Stop	3 (4.8)	22 (35.5)	31 (50.0)	3 (4.8)	0 (.0)	3 (4.)	62 (100)
	Westside	3 (9.7)	12 (38.7)	12 (38.7)	4 (12.9)	0 (.0)	0 (.0)	31 (100)
	Total	8 (3.8)	82 (39.2)	93 (44.5)	16 (7.7)	0 (.0)	10 (4.8)	209 (100)

Table 5.7: Price comparison between stores to store

In Delhi a total of 188 responses were recorded from four different malls. The majority 55.9% reported ‘moderately disagreed’ that the price in surveyed store was less than other organized outlets. 20.7% recorded ‘strongly disagree’ and 19.1%

‘neither/nor’ on the less price at the studies stores. The respondents at Lifestyle mall and Shoppers Stop mall recorded majority of responses on ‘moderately disagree’ on the price.

In Hyderabad a total of 211 responses were recorded from four different stores. The majority 40.3% reported ‘neither/nor’ that the price in surveyed stores is less than other organized outlets. 36.0% recorded ‘moderately disagree’ and 19.0% ‘strongly disagree’ on the less price at the surveyed stores. Lifestyle mall put down 48.7% ‘moderately disagree’. Pantaloon store recorded 40.0% strongly disagree. Shoppers Stop and Westside stores accounted ‘neither/nor’ 57.9% and 42.3% respectively.

In Kolkata, out of 152 responses at three different stores, 40.8% and 32.2% accounted ‘moderately disagree’ and ‘neither/nor’ respectively. 17.8 % respondents accounted ‘highly disagree’. In Kolkata city out of 24 Westside responses, 62.5% accounted ‘moderately disagree’

In Mumbai out of 209 respondents, 44.5% reported ‘neither/nor’ on the price comparison of the organized outlets. 39.2% accounted ‘moderately disagree’.

It clearly explicates that all stores product price is high. However, customers preferred to outlet at these stores. Lifestyle and Shoppers’ Stop customers disagreed with the price strongly. Same response is recorded in all the cities.

5.2.8. Overall data of price comparison

Name of the Store	Strongly disagree	Moderately disagree	Neither/ nor	Moderately agree	Strongly agree	Not Aware	Total
Lifestyle	15 (7.6)	96 (48.5)	74 (37.4)	8 (4.0)	0 (.0)	5 (2.5)	198 (100)
Pantaloons	52 (24.6)	80 (37.9)	59 (28.0)	11 (5.2)	2 (.9)	7 (3.3)	211 (100)
Shoppers Stop	24 (9.9)	101 (41.6)	101 (41.6)	12 (4.9)	0 (.0)	5 (2.1)	243 (100)
Westside	23 (21.3)	48 (44.4)	29 (26.9)	8 (7.4)	0 (.0)	0 (.0)	108 (100)
Total	114 (15.0)	325 (42.8)	263 (34.6)	39 (5.1)	2 (.3)	17 (2.2)	760 (100)

Table 5.8: overall price comparison

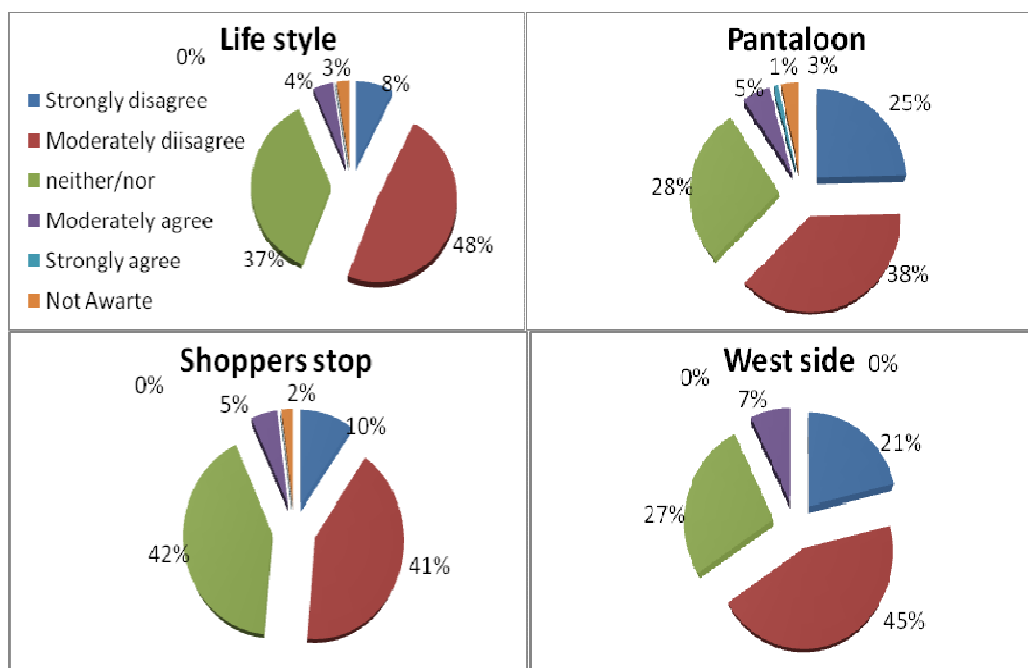


Figure 5.8: Price comparisons among stores

The above graph 5.8 shows the overall country price comparison among organized outlets of surveyed malls. The total 760 responses are recorded from four different stores (Lifestyle, Pantaloon, Shoppers Stop, and Westside). Majority of the responses accounted 'moderately disagree' (42.8%) followed by 'neither/nor' (34.6%). At Lifestyle stores 48.5% accounted 'moderately disagree' and at Shoppers' Stop 41.6% accounted 'neither/nor'. It indicates that Lifestyle and Shoppers Stop prices are higher when compared to other stores.

5.2.9. Influences of product buying decision

Name of the City	Own/self	Family/relatives	Friends/Colleagues	Children	Own/Fam/Children's	Total
Delhi	111 (59.0)	33 (17.6)	34 (18.1)	2 (1.1)	8 (4.2)	188 (100)
Hyderabad	152 (72.0)	31 (14.7)	28 (13.3)	0 (.0)	0 (.0)	211 (100)
Kolkata	80 (52.6)	38 (25.0)	22 (14.5)	6 (3.9)	6 (4.0)	152 (100)
Mumbai	114 (54.5)	56 (26.8)	26 (12.4)	4 (1.9)	9 (4.3)	209 (100)
Total	457 (60.1)	158 (20.8)	110 (14.5)	12 (1.6)	23 (3.0)	760 (100)

Table 5.9: Purchase influences on the customer

The table 5.9 presents the factors that influence a customer's buying decision. The factors include Own/Self, Family/relatives, Friends/colleagues, Children and others. The survey is conducted at four different cities (Delhi, Hyderabad, Kolkata, and

Mumbai) and at four different stores (Lifestyle, Pantaloon, Shoppers stop, and Westside). Out of 760 respondents, 60.1%, 20.8% and 14.5% opine that their product buying decision is influenced by 'Own/self', 'Family/relatives' and 'Friends/Colleagues' respectively.

In Delhi out of 188 responses, 59.0% recorded the influence of Own/self on the buying decision. At Pantaloon store (*ref: Appendices*) maximum 71.2% and at Westside store maximum 33.3% reported influence of Own/self and Family/relatives respectively.

In Hyderabad out of 211 responses, 72.0% recorded the influence of own/self on the buying decision. At Westside store maximum 80.8% and at Shoppers Stop store maximum 17.5% reported influence of own/self and Family/relatives respectively.

In Kolkata out of 152 responses, 52.6% recorded the influence of own/self on the buying decision. At Westside store maximum 58.0% reported influence of own/self and at Shoppers Stop 33.3% reported influence of Family/relatives.

In Mumbai out of 209 responses, 54.4% recorded the influence of own/self on the buying decision. At Westside store maximum 67.7% and at Lifestyle store maximum 33.3% reported influence of Own/self and Family/relatives respectively.

Across the stores, it is evident that majority of respondents cited "self" for buying decision. (City and Store wise data is available in *Appendices*)

5.2.10. Hypothesis - 1: Customer perception of product selection varies across the cities of the country in India

Chi-square is one of the very popular methods for testing hypothesis on discrete data. Chi square test is performed to substantiate the research hypotheses framed for this study for which the level of significance is fixed at 5 percent (i.e. $\alpha = 0.05$). The tests are carried out using statistical software tool i.e., SPSS 17.

a) Place of the Mall Vs Quality Product

The 5 X 4 matrix (four cities and five point scale) cross-tabulated values relating to customer preferences of selection of quality of product from four cities Delhi, Hyderabad, Kolkata and Mumbai is presented in the table 5.10 given below.

Crosstabulation

Place of the Mall	1. Quality Product					Total
	Un important	Least important	Moderate important	Fair Important	Highly important	
Delhi	6 (3.2)	6 (3.2)	23 (12.2)	55 (29.3)	98 (52.1)	188 (100)
Hyderabad	7 (3.3)	15 (7.1)	32 (15.2)	72 (34.1)	85 (40.3)	211 (100)
Kolkata	8 (5.3)	6 (3.9)	23 (15.1)	44 (28.9)	71 (46.7)	152 (100)
Mumbai	10 (4.8)	11 (5.3)	37 (17.7)	53 (25.4)	98 (46.9)	209 (100)
Total	31 (4.1)	38 (5.0)	115 (15.1)	224 (29.5)	352 (46.3)	760 (100)

Table 5.10: Product quality Vs Place of the store

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	12.684 ^a	12	.392
Likelihood Ratio	12.700	12	.391
Linear-by-Linear Association	2.092	1	.148
N of Valid Cases	760		
a. 0 cells (.0%) have expected count less than 5. The minimum expected count is 6.20.			

Table 5.11: Chi square test

The table 5.11 indicates calculated value of Chi-Square as 12. 684 at 5 percent level of significance and 16 (df) degrees of freedom $\{(5-1) \times (4-1) = 4 \times 3\}$ whereas the Table value is 21.026.

It is concluded that the asymptotic value is 0.392 which is higher than 0.05 and proves the Chi-square value is less than table value which weaken the alternative hypothesis statement and accept the null hypothesis. Hence it is concluded that the customer perception on quality of product is same in across the four selected cities of the country. **(Alternative hypothesis is rejected).**

B) Place of the Mall Vs Low Price

The 5X4 matrix cross-tabulated values relating to customer preferences of selection of low price of product from four cities in India is presented in the table 5.12 given below.

Crosstabulation

	2. Low Price					Total
Place of the Mall	Un important	Least important	Moderate important	Fair Important	Highly important	
Delhi	25 (13.3)	30 (16.0)	55 (29.3)	44 (23.4)	34 (18.1)	188 (100)
Hyderabad	20 (9.5)	33 (15.6)	79 (37.4)	44 (20.9)	35 (16.6)	211 (100)
Kolkata	12 (7.9)	31 (20.4)	49 (32.2)	40 (26.3)	20 (13.2)	152 (100)
Mumbai	17 (8.1)	44 (21.1)	69 (33.0)	35 (16.7)	44 (21.1)	209 (100)
Total	74 (9.7)	138 (18.2)	252 (33.2)	163 (21.4)	133 (17.5)	760 (100)

Table 5.12 Low price Vs Place of the store

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	15.722 ^a	12	.204
Likelihood Ratio	15.640	12	.208
Linear-by-Linear Association	.087	1	.769
N of Valid Cases	760		
a. 0 cells (.0%) have expected count less than 5. The minimum expected count is 14.80.			

Table 5.13: Chi square test

The table 5.13 indicates calculated value of Chi-Square as 15.722 at 5 percent level of significance and 12 (df) degrees of freedom $\{(5-1) \times (4-1) = 4 \times 3\}$ whereas the table value is 21.026.

It is concluded that the asymptotic value is 0.204 which is higher than 0.05 and proves the Chi-square value is less than table value which weaken the alternative hypothesis statement and accept the null hypothesis. Hence it is concluded that the customer perception on low price of product is same in across the four selected cities of the country. **(Alternative hypothesis is rejected).**

C) Place of the Mall Vs Brand Image

The 5X4 matrix cross-tabulated values relating to customer preferences of selection of low price of the product from four cities in India is presented in the table 5.14 given below.

Crosstabulation						
Place of the Mall	3. Brand Image					Total
	Un important	Least important	Moderate important	Fair Important	Highly important	
Delhi	12 (6.4)	21 (11.2)	55 (29.3)	68 (36.2)	32 (17.0)	188 (100)
Hyderabad	11 (5.2)	15 (7.1)	61 (28.9)	83 (39.3)	41 (19.4)	211 (100)
Kolkata	5 (3.3)	11 (7.2)	40 (26.3)	47 (30.9)	49 (32.2)	152 (100)
Mumbai	14 (6.7)	14 (6.7)	51 (24.4)	65 (31.1)	65 (31.1)	209 (100)
Total	42 (5.5)	61 (8.0)	207 (27.2)	263 (34.6)	187 (24.6)	760 (100)

Table 5.14: Brand Image Vs Place of the store

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	23.166 ^a	12	.026
Likelihood Ratio	23.260	12	.026
Linear-by-Linear Association	7.667	1	.006
N of Valid Cases	760		
a. 0 cells (.0%) have expected count less than 5. The minimum expected count is 8.40.			

Table 5.15: Chi square test

The table 5.15 indicates calculated value of Chi-Square as 23.166 at 5 percent level of significance and 12 (df) degrees of freedom $\{(5-1) \times (4-1) = 4 \times 3\}$ whereas the table value is 21.026.

It is concluded that the asymptotic value is 0.026 which is less than 0.05 and proves the Chi-square value is higher than table value which strengthens the alternative hypothesis statement and reject the null hypothesis. Hence it is concluded that the customer perception on brand image of product is varies across the four selected cities of the country. **(Alternative hypothesis is accepted).**

D) Place of the Mall Vs Product Varieties

The 5X4 matrix cross-tabulated values relating to customer preferences of selection of varieties of product from four cities in India is presented in the table 5.16 given below.

Crosstabulation						
Name of the Place	4.Product Varieties					Total
	Un important	Least important	Moderate important	Fair Important	Highly important	
Delhi	4 (2.1)	8 (4.3)	51 (27.1)	84 (44.7)	41 (21.8)	188 (100)
Hyderabad	5 (2.4)	17 (8.1)	62 (29.4)	76 (36.0)	51 (24.2)	211 (100)
Kolkata	4 (2.6)	12 (7.9)	38 (25.0)	45 (29.6)	53 (34.9)	152 (100)
Mumbai	12 (5.7)	17 (8.1)	49 (23.4)	77 (36.8)	54 (25.8)	209 (100)
Total	25 (3.3)	54 (7.1)	200 (26.3)	282 (37.1)	199 (26.2)	760 (100)

Table 5.16: Product Varieties Vs Place of the store

Chi-Square Tests			
	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	21.126 ^a	12	.049
Likelihood Ratio	20.611	12	.056
Linear-by-Linear Association	.408	1	.523
N of Valid Cases	760		
0 cells (.0%) have expected count less than 5. The minimum expected count is 5.00			

Table 5.17 Chi square test

The table 5.17 indicates calculated value of Chi-Square as 21.126 at 5 percent level of significance and 12 (df) degrees of freedom $\{(5-1) \times (4-1) = 4 \times 3\}$ whereas the table value is 21.026.

It is concluded that the asymptotic value is 0.049 which is less than 0.05 and proves the Chi-square value is higher than table value which strengthens the alternative hypothesis statement and reject the null hypothesis. Hence it is concluded that the customer perception on product varieties is varies across the four selected cities of the country. **(Alternative hypothesis is accepted).**

E) Place of the Mall Vs Latest Arrivals

The 5X4 matrix cross-tabulated values relating to customer preferences of selection of latest arrivals of product from four cities in India is presented in the table 5.18 given below.

Crosstabulation						
Place of the Mall	5. Latest Arrivals					Total
	Un important	Least important	Moderate important	Fair Important	Highly important	
Delhi	7 (3.7)	11 (5.9)	65 (34.6)	62 (33.0)	43 (22.9)	188 (100)
Hyderabad	16 (7.6)	23 (10.9)	59 (28.0)	71 (33.6)	42 (19.9)	211 (100)
Kolkata	6 (3.9)	17 (11.2)	46 (30.3)	37 (24.3)	46 (30.3)	152 (100)
Mumbai	16 (7.7)	22 (10.5)	55 (26.3)	61 (29.2)	55 (26.3)	209 (100)
Total	45 (5.9)	73 (9.6)	225 (29.6)	231 (30.4)	186 (24.5)	760 (100)

Table 5.18: Latest Arrivals Vs Place of the store

Chi-Square Tests			
	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	18.281 ^a	12	.107
Likelihood Ratio	18.917	12	.091
Linear-by-Linear Association	.082	1	.775
N of Valid Cases	760		
a. 0 cells (.0%) have expected count less than 5. The minimum expected count is 9.00.			

Table 5.19: Chi square test

The table 5.19 indicates calculated value of Chi-Square as 18.281 at 5 percent level of significance and 12 (df) degrees of freedom $\{(5-1) \times (4-1) = 4 \times 3\}$ whereas the table value is 21.026.

It is concluded that the asymptotic value is 0.107 which is higher than 0.05 and proves the Chi-square value is less than table value which weekend the alternative hypothesis statement and accept the null hypothesis. Hence it is concluded that the customer perception on Latest arrival of products is same in across the four selected cities of the country. **(Alternative hypothesis is rejected).**

F) Place of the Mall Vs Stock Size

The 5X4 matrix cross-tabulated values relating to customer preferences of selection of stock size of product from four cities in India is presented in the below table 5.20:

Crosstabulation

	6. Stock Size					Total
Place of the Mall	Un important	Least important	Moderate important	Fair Important	Highly important	
Delhi	12 (6.4)	32 (17.0)	78 (41.5)	24 (12.8)	42 (22.3)	188 (100)
Hyderabad	18 (8.5)	34 (16.1)	73 (34.6)	55 (26.1)	31 (14.7)	211 (100)
Kolkata	18 (11.8)	14 (9.2)	46 (30.3)	40 (26.3)	34 (22.4)	152 (100)
Mumbai	17 (8.1)	25 (12.0)	77 (36.8)	53 (25.4)	37 (17.7)	209 (100)
Total	65 (8.6)	105 (13.8)	274 (36.1)	172 (22.6)	144 (18.9)	760 (100)

Table 5.20: Stock size Vs Place of the store

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	26.226 ^a	12	.010
Likelihood Ratio	27.794	12	.006
Linear-by-Linear Association	.616	1	.433
N of Valid Cases	760		
a. 0 cells (.0%) have expected count less than 5. The minimum expected count is 13.00.			

Table 5.21: Chi square test

The table 5.21 indicates calculated value of Chi-Square as 26.226 at 5 percent level of significance and 12 (df) degrees of freedom $\{(5-1) \times (4-1) = 4 \times 3\}$ whereas the table value is 21.026.

It is concluded that the asymptotic value is 0.010 which is less than 0.05 and proves the Chi-square value is higher than table value which strengthens the alternative hypothesis statement and reject the null hypothesis. Hence it is concluded that the customer perception on stock size is varies across the four selected cities of the country. **(Alternative hypothesis is accepted).**

G) Place of the Mall Vs Special discount

The 5X4 matrix cross-tabulated values relating to customer preferences of selection of stock size of product from four cities in India is presented in the table 5.22 given below:

Crosstabulation						
Place of the Mall	7. Special Discounts					Total
	Un important	Least important	Moderate important	Fair Important	Highly important	
Delhi	7 (3.7)	21 (11.2)	55 (29.3)	56 (29.8)	49 (26.1)	188 (100)
Hyderabad	14 (6.6)	23 (10.9)	68 (32.2)	62 (29.4)	44 (20.9)	211 (100)
Kolkata	8 (5.3)	17 (11.2)	32 (21.1)	47 (30.9)	48 (31.6)	152 (100)
Mumbai	26 (12.4)	28 (13.4)	61 (29.2)	39 (18.7)	55 (26.3)	209 (100)
Total	55 (7.2)	89 (11.7)	216 (28.4)	204 (26.8)	196 (25.8)	760 (100)

Table 5.22: Special Discounts Vs Place of the store

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	27.994 ^a	12	.006
Likelihood Ratio	28.166	12	.005
Linear-by-Linear Association	3.523	1	.061
N of Valid Cases	760		
a. 0 cells (.0%) have expected count less than 5. The minimum expected count is 11.00.			

Table 5.23: Chi square test

The table 5.23 indicates calculated value of Chi-Square as 27.994 at 5 percent level of significance and 12 (df) degrees of freedom $\{(5-1) \times (4-1) = 4 \times 3\}$ whereas the table value is 21.026.

It is concluded that the asymptotic value is 0.006 which is less than 0.05 and proves the Chi-square value is higher than table value which strengthens the alternative hypothesis statement and reject the null hypothesis. Hence it is concluded that the customer perception on special discount is varies across the four selected cities of the country. **(Alternative hypothesis is accepted).**

H) Place of the Mall Vs Special Offers

The 5X4 matrix cross-tabulated values relating to customer preferences of selection of special offers of the product from four cities in India is presented in the table 5.24 given below.

Crosstabulation

Place of the Mall	8. Special Offers					Total
	Un important	Least important	Moderate important	Fair Important	Highly important	
Delhi	9 (4.8)	15 (8.0)	47 (25.0)	57 (30.3)	60 (31.9)	188 (100)
Hyderabad	13 (6.2)	27 (12.8)	63 (29.9)	53 (25.1)	55 (26.1)	211 (100)
Kolkata	7 (4.6)	12 (7.9)	36 (23.7)	47 (30.9)	50 (32.9)	152 (100)
Mumbai	28 (13.4)	24 (11.5)	52 (24.9)	52 (24.9)	53 (25.4)	209 (100)
Total	57 (7.5)	78 (10.3)	198 (26.1)	209 (27.5)	218 (28.7)	760 (100)

Table 5.24: Special Offer Vs Place of the store

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	23.918 ^a	12	.021
Likelihood Ratio	22.619	12	.031
Linear-by-Linear Association	6.192	1	.013
N of Valid Cases	760		
a. 0 cells (.0%) have expected count less than 5. The minimum expected count is 11.40.			

Table 5.25: Chi square test

The table 5.25 indicates calculated value of Chi-Square as 23.918 at 5 percent level of significance and 12 (df) degrees of freedom $\{(5-1) \times (4-1) = 4 \times 3\}$ whereas the table value is 21.026. It is concluded that the asymptotic value is 0.021 which is less than 0.05 and proves the Chi-square value is higher than table value which strengthens the alternative hypothesis statement and reject the null hypothesis. Hence it is concluded that the customer perception on special offers is varies across the four selected cities of the country. **(Alternative hypothesis is accepted).**

Final result of the hypotheses:

S. No	Variable	Pearson Chi-Square			
		Value	df	Asymp. Sig.(2-sided)	Result
1	Quality Product	12.684 ^a	12	.392	Insignificant
2	Low Price	15.722 ^a	12	.204	Insignificant
3	Brand Image	23.166 ^a	12	.026	Significant
4	Product Varieties	21.126 ^a	12	.049	Significant
5	Latest Arrivals	18.281 ^a	12	.107	Insignificant
6	Stock Size	26.226 ^a	12	.010	Significant
7	Special Discounts	27.994 ^a	12	.006	Significant
8	Special Offers	23.918 ^a	12	.021	Significant

Table 5.26: Total Chi square test Result

The table 5.26 shows the complete result of customer product selection variables. Out of 8, three variables: Quality of Product, Low Price and Latest Arrivals are rejected, remaining five variable Brand Image, Product Varieties, Stock Size, Special Discounts, Special Offers are accepted. Hence out of 8 variables majority number five variables are accepted. It says the hypothesis “**Customer perception of product selection varies across the cities of India**” is **ACCEPTED**.

5.2.11. Hypothesis-2: Accessibility, Technology and Good Interaction are the important features to customer to choose the outlet for shopping.

To identify how far the present data is suitable for running the factor analysis the researcher has run **Kaiser-Meyer-Olkin (KMO)** measure of sample adequacy and **Bartlett’s** test of Sphericity. Unless the two tests get satisfied the factor analysis is inadequate. According to KMO measure, if the sum of the partial correlations is larger relative to sum of correlations, there exists diffusion in pattern of correlation. Hence factor analysis is likely to be inappropriate. A value close to 1.0 indicates that patterns of correlations are relatively compact and so factor analysis should yield distinct and reliable factors. For the present data, KMO value is 0.856 (from the table mentioned below). Therefore factor analysis is appropriate for data.

Table: KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy		0.856
Bartlett's Test of Sphericity	Approx. Chi-Square	4259.562
	df	105
	Sig.	0.000

Table 5.27: KMO and Bartlett's Test

Bartlett's test is satisfied according to the table 5.27. The Bartlett's test assumes that the null hypothesis that the original correlation matrix is an identity matrix. For factor analysis to work we need some relationship between variables and if the R-Matrix were an identity matrix then all correlation co-efficient would be zero. Therefore, we want this to be significant (i.e. significance value less than 0.05). A significance test tells us that the R-matrix is not an identity matrix; therefore there is some relationship between the variables. For the present data the Bartlett's test is highly significant ($p < 0.001$) and therefore factor analysis can be applied. There are five major factors deduced from a set of 15 factors which are mentioned in the below table 5.28 with their respective variances.

Table: Total Variance Explained

Total Variance Explained									
Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	5.525	36.830	36.830	5.525	36.830	36.830	3.455	23.036	23.036
2	1.684	11.229	48.059	1.684	11.229	48.059	2.553	17.022	40.058
3	1.025	6.837	54.896	1.025	6.837	54.896	2.226	14.838	54.896
4	.933	6.218	61.114						
5	.861	5.738	66.852						
6	.835	5.566	72.417						
7	.725	4.835	77.253						
8	.669	4.458	81.711						
9	.537	3.577	85.288						
10	.497	3.313	88.600						
11	.432	2.880	91.481						
12	.396	2.640	94.121						
13	.341	2.272	96.393						
14	.296	1.973	98.366						
15	.245	1.634	100.000						

Table 5.28: Total Variance Explained

To analyze variance in linear components (factors) Eigen values are used. The total column gives the Eigen values or amount of variance in the original variables accounted for by each component. The 54.896% of variance column gives the ratio, expressed as a percentage of the variables accounted for by each component to the total variance in all of the variables. The cumulative value of 54.896% gives the percentage of variance accounted for by the first 3 components. The same table lists Eigen values associated with each linear component before extraction, after extraction and after rotation.

Before extraction 15 linear components are displayed, there are many components as variables and in a correlations analysis the sum of the Eigen values equals the number of components. The study has given the command to extract the Eigen values that are greater than 1. So in the initial solution the first three principal components are extracted.

Tables 5.28 also displays the Eigen values in terms of percentage of variance explained by each factor (factor 1 explains 36.830% of total variance). The Eigen values associated with these factors are again displayed in the columns labels 'Extraction sum of squared loading'. The extracted values in this part of the table are the same as the value before extraction, except that the values for the discarded factor are ignored. In the table labeled 'Rotation Sum of Squared Loadings', the Eigen values of the factors after rotation is displayed.

Rotation has the effect of optimizing the factor structure and one consequence for these data is that the relative importance of the four factors is equalized. Before rotation, factor 1 accounted for considerably more variance than the remaining three (36.830%). In the similar fashion the other factors account for the variances in lesser percentages and altogether those five factors account for 54.896% of variability in the choice of the shopping process. It can be seen, according to table 5.29, that the factors with lesser correlation (less than 0.5) have been dropped from the analysis to find suitable factors in the process.

Table: Rotated Component Matrix

Rotated Factors	Component			
	1	2	3	
1. Staff Support	.612			1
2. Guaranty/Warranty	.749			
3. Technology	.794			
4. Good Interaction	.624			
5. Accessibility	.661			
6. Location of the Outlet	.663			
7. Store size		.689		2
8. Service Level		.543		
9. Shopping ambience		.673		
10. Entertainment		.534		
11. Working Hours		.530		
12. Replacement			.753	3
13. Parking Facility			.691	
14. Safety Features			.627	

Table 5.29: Rotated component Matrix

(1-Store Service, 2- Store Atmosphere, and 3- Store Facilities)

The rotated component matrix helps to determine what the components represent. The rotation of factors structure has clarified things considerable; there are three factors and variables load very highly onto only three factors.

The next step is too looking at the contents of questions that load onto the same factors to try to identify common themes. In other words, a group of variables is divided into subgroups of variables bases on similar characteristics. New factors names are given to the newly divided groups of variables. The question that load highly on factors 1 seems to relate to staff support, guaranty/warranty, technology, good interaction, accessibility, and location of the outlet. Therefore this factor is labeled as '*services provided by the store*'. The question that load highly on factor 2 all seem to relate to store size, service level, shopping ambience, entertainment and working hours. Therefore this factor is labeled as '*outlet atmosphere*'. Finally the question that loads on factor 3 all contains components related to replacement, parking facilities and safety features. Therefore this factor is labeled as '*store facilities*'.

Thus this analysis reveal that initial questionnaire, in realty is composed of three sub scales; services provided by store, store atmosphere/store environment, and store facilities All these three factors have been mentioned in the form of a Scree plot as depicted below. It can be seen from the diagram that after the three major variables the curve becomes parallel to the horizontal line and the variables on it are negligibly contributing to the dependent variable.

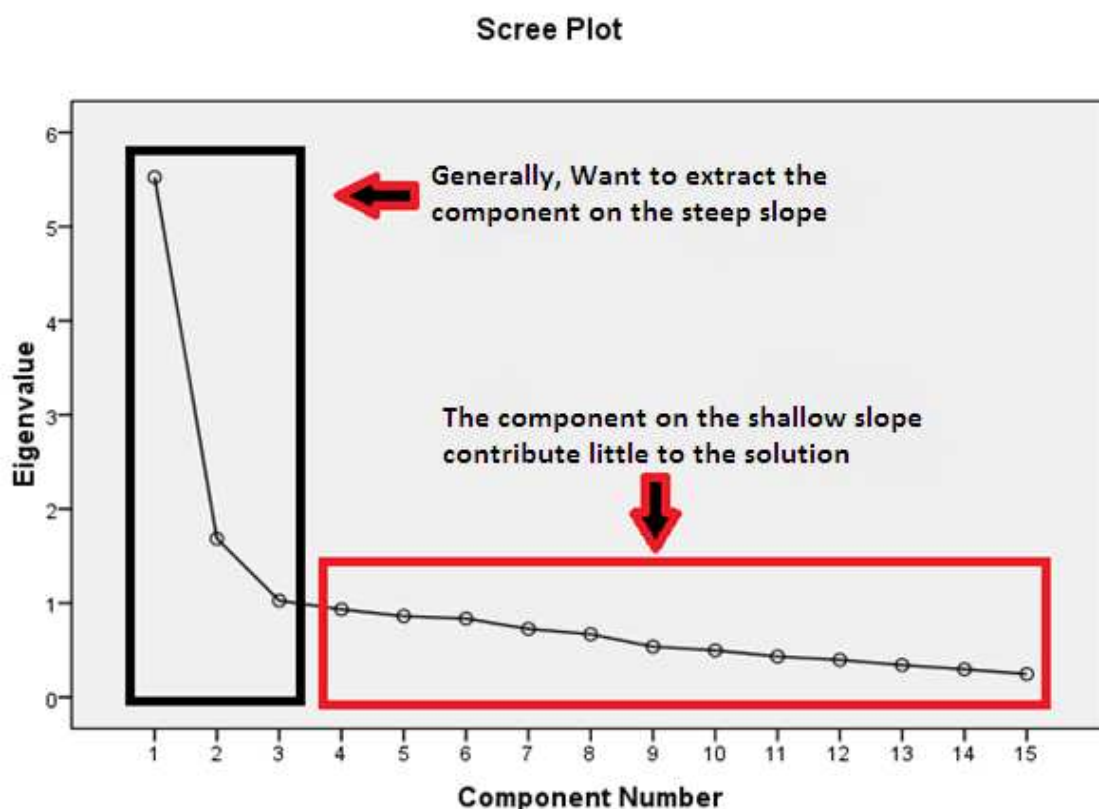


Figure 5.9: Scree plot

Scree plot helps us to determine the optimal number of components. While extracting a component from scree plot, we generally extract the component on the steep slope. The components on the shallow slope contribute little to the solution as said above. The last drop occurs between the third and fourth components. So using the first three components is an easy choice.

The study concluded that accessibility, technology and interaction/relation are the major preference to all the customers in four selected stores from four cities. Finally the hypothesis **“Accessibility, Technology and Good Interaction are the important features to customer to choose the outlet for shopping”** is **ACCEPTED**.

5.2.12.Hypotheses-3&4: The Product quality and Product availability play vital role in bringing out overall customer satisfaction.

Customer satisfaction is considered to be one of the most important outcomes of all marketing activities in a market-oriented firm. The obvious need for satisfying the firm's customer is to expand the business, to gain a higher market share, and to acquire repeat and referral business, all of which lead to improve profitability and relationship between organization and customer. Any business sector like banking, automobile, retailing etc customers satisfaction has a significance effect on purchase products from the outlet. Customer satisfaction depends on product availability, product quality, service provided by the companies.

To identify the customer satisfaction of the retail outlets study as conducted a multiple regression analysis. Regression analysis is used to assess the relationship between one dependent variable (DV) and several independent variables (IVs). Here the dependent variable is overall customer satisfaction. Independent variables (X1 – X14) are given below.

- X1 - Desired products Availability
- X2 - Products Varieties Availability
- X3 - Desired New arrivals Availability
- X4 - Product Price
- X5 - Product Quality
- X6 - Staff Support Service
- X7 - Shopping Atmosphere
- X8 - Technology Service
- X9 - Relationship/Interaction
- X10 - Special Offer
- X11 - Discounts/offers
- X12 - Facilities
- X13 - Billing service
- X14 - Children play area

Overall customer satisfaction $Y = f(X1, X2, X3, X4, X5, X6, X7, \dots, X14)$

Regression Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.799 ^a	.639	.632	.455	2.192

Table 5.30: Regression model summary

R represents the correlation between the observed values and the predicted values (based on the regression equation obtained) of the dependent variable. R Square is the square of R and gives the proportion of variance in the dependent variable accounted for by the set of independent variable (IV) are able to predict the dependent variable (DV). The R-squared of the regression is the fraction of the variation in the dependent variable that is accounted for (or predicted by) independent variables (In regression with a single independent variable, it is the same as the square of the correlation between your dependent and independent variable.) The R-squared is generally of secondary importance, unless main adjusted R-Square makes accurate predictions.

In this study, the above table 5.30 describes the model summary and indicates coefficient of multiple determinations (R) is 0.799. The variation in the dependent variable is explained by 63.9 percent through quadratic relationship with the predictor which appears to be significant for making predictions and Durbin-Watson value is 2.192. 14 selected variables represent R square value as 63.9 (64%); remaining 36% value is not represented by the selected 14 variable. So, it can be given for further study. It clearly with statistical significance equation (1) holds good to detect relationship between IV and DV.

ANOVA ^b						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	272.169	14	19.441	94.093	.000 ^a
	Residual	153.925	745	.207		
	Total	426.093	759			

Table 5.31: Anova data

The above table 5.31 indicates that, “p value” is lesser than 0.05. It indicates that the dependent variable (Overall customer satisfaction) is statistically significant with the mean of the independent variables mentioned above. The regression row displays

information about the variation accounted for by the model. The Residual row displays information about the variation that is not accounted for the model. This ANOVA table is a useful test of the model's ability to explain any variation in the dependent variable; it does not directly address the strength of that relationship. The importance of the independent variables can be realized from the coefficient table of the "Multiple Regression test" mentioned below.

	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
	B	Std. Error	Beta			Tolerance	VIF
(Constant)	.348	.086		4.027	.000		
X1 Desired products	.242	.021	.282	11.685	.000	.831	1.204
X2. Products Varieties A	.058	.017	.080	3.457	.001	.901	1.110
X3. Desired New arrivals	.022	.026	.027	.855	.393	.492	2.033
X4. Product Price	-.012	.022	-.015	-.535	.593	.653	1.532
X5. Product Quality	.542	.025	.628	21.703	.000	.579	1.727
X6. Staff Support Service	-.034	.025	-.041	-1.357	.175	.522	1.917
X7. Shopping Atmosphere	-.039	.026	-.049	-1.511	.131	.467	2.144
X8. Technology Service	-.061	.025	-.075	-2.454	.014	.515	1.942
X9. Interaction	.075	.023	.094	3.284	.001	.595	1.681
X10. Special Offer	-.011	.026	-.014	-.414	.679	.402	2.489
X11. Discounts	.076	.024	.110	3.141	.002	.396	2.525
X12. Facilities	.051	.023	.063	2.244	.025	.617	1.621
X13. Billing service	.018	.030	.020	.611	.541	.469	2.132
X14 children play	.019	.030	.022	.636	.525	.389	2.573

Table 5.32:.Coefficient data

It is clearly explained (table 5.32) that desired new arrivals availability, product price, staff support, shopping ambiance, special offers, billing and children play area significance values is > 0.05 , it means not significant. Therefore, the customers are not satisfied with above mentioned variables. The highest contribution for the customer satisfaction of outlets is **desire product availability, products varieties availability, product quality; technology services, relationship/interaction, discounts and facilities** provided by the outlets. Significant variables are highly influencing the customer satisfaction of the selected four outlets. These significant variables values are .000, .001, .000, .014, .001, .002, and .025 respectively. Out of 14 variables 7 variables are significant and remaining 7 variables are insignificant.

The tolerance is the percentage of variance in a given predictor that cannot be explained the other predictors. When the tolerances are close to 0, there is high multi-collinearity and the standard error of the regression coefficients will be inflated. A variance inflation factor greater than 2 is usually considered problematic. The variance inflation factor ($VF < 10$) in case of the significant variables depict the non-existence of multi-collinearity. Mathematically, the regression equation can be written as follows:

$$y = .282 x_1 + .080 x_2 + .027 x_3 - .015 x_4 + .628 x_5 - .041 x_6 - .049 x_7 - .075 x_8 + .094 x_9 - .014 x_{10} + .110 x_{11} + .063 x_{12} + .020 x_{13} + .0220 x_{14}$$

a) Overall Customer satisfaction in all four outlets

The cross tabulation shows (table 5.33) the frequency of each response at each store provides a similar level of product, the pattern of response should be similar across cities. It clearly shows total 760 respondents from all four outlets. Majority respondents 313, 334 told that their satisfaction level is Good followed by Above Average. It is difficult to tell whether these differences are real or due to chance of variation according to cross tabulation. It is advisable to check the chi-square test to be sure.

All four store customers overall satisfaction

	Overall Customer satisfaction					Total
Name of the Outlet	Excellent	Good	Above Average	Average	Poor	
Life style	2 (1.0)	84 (42.4)	88 (44.4)	19 (9.6)	5 (2.5)	198 (100)
Pantaloon	2 (0.9)	86 (40.8)	97 (46.0)	26 (12.3)	0 (0)	211 (100)
Shoppers stop	9 (3.7)	112 (46.1)	97 (39.9)	24 (9.9)	1 (.4)	243 (100)
West side	8 (7.4)	32 (29.6)	52 (48.1)	14 (13.0)	2 (1.9)	108 (100)

Table 5.33: All four store customers overall customer satisfaction

To test the customer's satisfaction across the cities on services provided by the stores the study chosen Chi-square test.

Chi-Square Tests			
	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	29.709 ^a	12	.003
Likelihood Ratio	30.096	12	.003
Linear-by-Linear Association	.637	1	.425
N of Valid Cases	760		
a. 5 cells (25.0%) have expected count less than 5. The minimum expected count is 1.14.			

Table 5.34: Chi-Square Tests

The table 5.34 indicates calculated value of Chi-Square as 29.709 at 5 percent level of significance and 12 degrees of freedom.

The asymptotic value is 0.03 which is lower than 0.05 and affirm the Chi-square value as greater than table value which highly strengthens the alternative hypothesis statement and rejects the null hypothesis. Hence it is concluded that there is a significant relationship of customer satisfaction across outlets.

5.2.13. H3. The product quality play vital role in bringing out overall customer satisfaction.

(H3). Product Quality from all four select outlets

Name of the Outlet	Excellent	Good	Above Average	Average	Poor	Total
Life style	28 (14.1)	101 (51.0)	49 (24.7)	16 (8.1)	4 (2.0)	198 (100)
Pantaloon	34 (16.1)	101 (47.9)	47 (22.3)	27 (12.8)	2 (0.9)	211 (100)
Shoppers stop	49 (20.2)	139 (57.2)	41 (16.9)	14 (5.8)	0 (.0)	243 (100)
West side	16 (14.8)	55 (50.9)	28 (25.9)	7 (6.5)	2 (1.9)	108 (100)
Total	127 (16.7)	396 (52.1)	165 (21.7)	64 (8.4)	8 (1.1)	760 (100)

Table 5.35: Product Quality from all four outlets

The above table 5.35 explains the customer satisfaction across the four outlets of the country. Out of 760 total customers 369 (52%) respondents stated that their satisfaction level is Good. Shoppers stop customers responded with highest

percentage of 57 %. Second preference has given to Above Average with 167 respondents (21%) followed by Excellent with 127 respondents (17%). It shows that majority of customers are satisfied of product quality of these four outlets.

Chi-Square Tests			
	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	21.527 ^a	12	.043
Likelihood Ratio	23.279	12	.025
Linear-by-Linear Association	3.620	1	.057
N of Valid Cases	760		
a. 4 cells (20.0%) have expected count less than 5. The minimum expected count is 1.14.			

Table 5.36: Chi-Square Tests

The Table 5.36 indicates calculated value of Chi-Square is 21.527 at 5 percent level of significance and 12 degrees of freedom.

The asymptotic value is 0.043 which is lower than 0.05 and affirm the Chi-square value is greater than table value which highly strengthens the alternative hypothesis statement and rejects the null hypothesis. Hence it's concluded that there is a significant relationship of customer satisfaction with quality of product.

5.2.14. H4. The product Availability play vital role in bringing out overall customer satisfaction.

(H4) Product Availability from all four outlets

Name of the outlet	Excellent	Good	Above Average	Average	Poor	Total
Life style	11 (5.6)	45 (22.7)	73 (36.9)	44 (22.2)	25 (12.6)	198 (100)
Pantaloon	11 (5.2)	50 (23.7)	69 (32.7)	51 (24.2)	30 (14.2)	211 (100)
Shoppers stop	3 (1.2)	75 (30.9)	79 (32.5)	71 (29.2)	15 (6.2)	243 (100)
West side	2 (1.9)	31 (28.7)	37 (34.3)	31 (28.7)	7 (6.5)	108 (100)
Total	27 (3.6)	201 (26.4)	258 (33.9)	197 (25.9)	77 (10.1)	760 (100)

Table 5.37: Product availability from all four outlets

The above table 5.37 explains the customer satisfaction across the four outlets of the country. Out of 760 total customers, 258 (33.9%) respondents stated that their satisfaction level is Good. 201 (26.4%) customers responded Good and 197 (25.9%) customers responded average. Comparative product quality, product availability response of the customer is less. But overall customer responded positively against product availability. It shows that majority of customers are satisfied of product availability and quality of these four outlets.

.Chi-Square Tests			
	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	25.323 ^a	12	.013
Likelihood Ratio	26.540	12	.009
Linear-by-Linear Association	.482	1	.488
N of Valid Cases	760		
a. 1 cells (5.0%) have expected count less than 5. The minimum expected count is 3.84.			

Table 5.38: Chi-Square Tests

The above Table 5.38 indicates calculated value of Chi-Square as 25.323 at 5 percent level of significance and 12 degrees of freedom.

The asymptotic value is 0.013 which is lower than 0.05 and affirm the Chi-square value greater than table value which highly strengthens the alternative hypothesis statement and rejects the null hypothesis. Hence it is concluded that there is a significant relationship of customer satisfaction with product availability in across the outlets.

Finally in conclusion the product availability and product quality are the very important variables for customer satisfaction. Along with these two variables other variables like Technology, Relationship/Interaction, Discounts and Facilities also affect customer satisfaction. Study shows test product availability and quality in all the selected four cities. Their also customer responded positively against these two. Finally the hypothesis **“The product quality and availability play vital role in bringing out overall customer satisfaction” is ACCEPTED.**

5.2.15. Overall data of customer satisfaction of Home delivery services

Name of the Outlet	Yes	No	Not using	Total
Lifestyle	27 (13.6)	14 (7.1)	157 (79.3)	198 (100)
Pantaloon	17 (8.1)	13 (6.2)	181 (85.8)	211 (100)
Shoppers Stop	17 (7.0)	14 (5.8)	212 (87.2)	243 (100)
Westside	7 (6.5)	3 (2.8)	98 (90.7)	108 (100)
Total	68 (8.9)	44 (5.8)	648 (85.3)	760 (100)

Table 5.39: Satisfaction level by home delivery

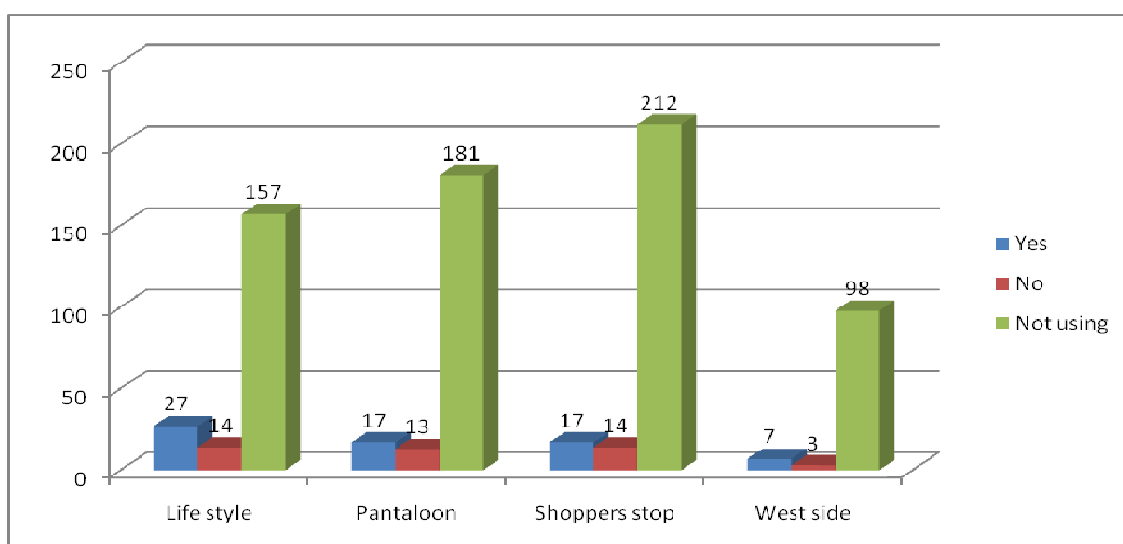


Figure 5.10: Home delivery outlet wise data

Above graph (fig: 5.10) and table (table 5.39) recorded the usage of the Home delivery service by the respondents, adopted by the surveyed stores (Lifestyle, Pantaloon, Shoppers Stop, and Westside) at four different cities (Delhi, Hyderabad, Kolkata, and Mumbai). The type of usage is recorded on the scale of “Yes”, “No”, and Not using.

Out of total 760 respondents, 85.3% are not using Home delivery systems adopted by the surveyed malls. At Lifestyle stores out of 68 majorities 13.6% reported “Yes” on use of Home Delivery.

5.2.16. Customer satisfaction by companies' services

Name of the Outlet	Highly Satisfied	Moderately satisfied	Neither /nor	Moderately Dissatisfied	Highly Dissatisfied	No Issues	Total
Life style	24 (12.1)	72 (36.4)	27 (13.6)	5 (2.5)	0 (.0)	70 (35.4)	198 (100)
Pantaloon	9 (4.3)	98 (46.4)	29 (13.7)	0 (.0)	0 (.0)	75 (35.5)	211 (100)
Shoppers stop	24 (9.9)	91 (37.4)	38 (15.6)	3 (1.2)	2 (.8)	85 (35.0)	243 (100)
Westside	7 (6.5)	49 (45.4)	14 (13.0)	0 (.0)	0 (.0)	38 (35.2)	108 (100)
Total	64 (8.4)	310 (40.8)	108 (14.2)	8 (1.1)	2 (.3)	268 (35.3)	760 (100)

Table 5.40: Customer satisfaction by companies' service

The above table 5.40 shows the satisfaction level with the time taken to provide a solution/service to respondents' problem. The satisfaction level is measured on scale of Highly Satisfied, Moderately Satisfied, Neither/nor, Moderately Dissatisfied, Highly Dissatisfied, and No Issues. Majority of the respondents reported 'Moderately Satisfied' and 'No Issues'. (City wise data is available in (*ref: Appendices*)).

From Lifestyle out of 198 respondents, 36.4% are 'Moderately Satisfied' with the time taken to provide a solution or service. Lifestyle of Delhi recorded maximum 46.3% share as Moderately Satisfied respondents.

From Pantaloon out of 211 respondents, 46.4% are 'moderately satisfied' with the time taken to provide a solution or service. Pantaloon of Delhi customers responded maximum 57.5% share as Moderately Satisfied respondents.

From Shoppers stop out of 243 respondents, 37.4% are 'moderately satisfied' with the time taken to provide a solution or service. Shoppers Stop of Delhi customers responded maximum 49.1% share as Moderately Satisfied respondents.

From Westside of 108 respondents, 45.4% are 'moderately satisfied' with the time taken to provide a solution or service. Westside of Delhi customers responded maximum 70.4% share as Moderately Satisfied respondents.

In Delhi (*ref: Appendices*) out of 188 respondents 53.7% reported ‘moderately satisfied’ and 14.9% reported with No Issues. Westside of Delhi 70.4% shares the majority from 101 respondents of moderately satisfied

In Hyderabad out of 211 respondents 40.8% reported ‘moderately satisfied’ and 25.6% reported ‘No Issues’. Pantaloon Hyderabad 48.0% shares the majority from 86 respondents of moderately satisfied.

In Kolkata out of 152 respondents 40.1% reported ‘moderately satisfied’ and 42.8% reported with No Issues. Pantaloon of Kolkata 44.1% shares the majority from 61 respondents of moderately satisfied.

In Mumbai out of 209 respondents 29.7% reported ‘moderately satisfied’ and 57.9% reported with No Issues. Westside of Mumbai 67.6% shares the majority from 121 respondents ‘No Issues’.

5.2.17. Mode of bill payment

Name of the Outlet	Cash	Credit/ Debit cards	Cheques	Cash and Cards	Total
Life style	69 (34.8)	118 (59.6)	0 (.0)	11 (5.6)	198 (100)
Pantaloon	93 (44.1)	95 (45.0)	0 (.0)	23 (10.9)	211 (100)
Shoppers stop	98 (40.3)	114 (46.9)	2 (.8)	29 (11.9)	243 (100)
West side	35 (32.4)	50 (46.3)	4 (3.7)	19 (17.6)	108 (100)
Total	295 (38.8)	377 (49.6)	6 (.8)	82 (10.8)	760 (100)

Table 5.41: Mode of bill payment

The above table 5.41 explains the respondents’ preference on the mode of payment of bills. The respondents are surveyed and recorded in four cities (Delhi, Hyderabad, Kolkata, and Mumbai) and at four different malls (Lifestyle, Pantaloon, Shoppers Stop, and Westside). Out of 760 respondents 49.6% (highest) reported Credit/Debit cards as most preferred mode of bill payment. That is followed by 38.8% respondents reported cash as the most preferred mode of bill payments.

In Delhi out of 188 respondents, 46.8% preferred Cash and 41.0% preferred Credit/Debit cards for the payment of bills. In Lifestyle Delhi 51.9% are reported to pay by Credit/Debit cards and in Pantaloon of Delhi 51.9% preferred to pay by cash.

In Hyderabad out of 211 respondents, 58.5% preferred Credit/Debit cards for the payment of bills. In Lifestyle of Hyderabad 60.3% and Westside of Hyderabad 73.1% are reported to pay by Credit/Debit cards.

In Kolkata 152 respondents, 44.7% preferred Cash and 42.1% preferred Credit/Debit cards for the payment of bills. In Pantaloon 47.5% and Shoppers Stop 46.4% most preferred mode of bill payment are cash.

In Mumbai out of 209 respondents, 32.1% preferred Cash and 53.6% preferred Credit/Debit cards for the payment of bills. In Lifestyle 65.2%, Pantaloon 56.0%, and Westside Mumbai 51.6% are reported to pay by Credit/Debit cards.

5.2.18. Customer opinion on visit the stores

Name of the Outlet	Yes	No	Can't Say	Total
Life style	165 (83.3)	3 (1.5)	30 (15.2)	198 (100)
Pantaloon	191 (90.5)	4 (1.9)	16 (7.6)	211 (100)
Shoppers stop	213 (87.7)	7 (2.9)	23 (9.5)	243 (100)
West side	98 (90.7)	5 (4.6)	5 (4.6)	108 (100)
Total	667 (87.8)	19 (2.5)	74 (9.7)	760 (100)

Table 5.42: Customer opinion of visit the store

The above table 5.42 represents the respondent's likeness to visit the outlet again. The responses are recorded on the scales on 'Yes', 'No', and 'Can't Say'. From Lifestyle out of 198 respondents, 83.3% would like to visit the outlet again. 1.5% customers responded 'No'.

From Pantaloon store out of 211 respondents, 90.5% would like to visit the outlet again. 1.9% customers responded 'No'.

From Shoppers Stop store out of 243 respondents 87.7% would like to visit the outlet again. 9.5% customers responded 'No'.

From Westside store out of 108 respondents, 90.7% would like to visit the outlet again. 4.6% customers responded 'No'. Majority of the respondents recorded 'Yes'. The respondents like to visit the outlet again.

5.2.19. Customer inform to friends about the stores

Name of the Outlet	Yes	No	Total
Lifestyle	179 (90.4)	19 (9.6)	198 (100)
Pantaloon	199 (94.3)	12 (5.7)	211 (100)
Shoppers stop	234 (96.3)	9 (3.7)	243 (100)
Westside	100 (92.6)	8 (7.4)	108 (100)
Total	712 (93.7)	48 (6.3)	760 (100)

Table 5.43: Inform to friends about the store

The above table 5.43 registers the likeliness of the respondents to suggest the surveyed outlets to their friends/relatives. The attribute was measure on the scale of 'Yes' or 'No'. Majority of the respondents recorded as 'Yes' from all four stores Lifestyle, Pantaloon, Shoppers Stop and Westside. Above 90% customers responded positively and they are willing to suggest the store to their friends or relatives. It means responded customers are very happy with products and services provided by the stores.

5.3. SECTION-C: CUSTOMER RELATIONSHIP MANAGEMENT PRACTICES

5.3.1. Customer membership card/Loyalty card status

Customer Membership Card /Loyalty Card program is one of the important strategies for retail organizations to built long-term relationship with customers. In this study the selected outlets Lifestyle, Pantaloon, Shoppers' Stop and Westside are implementing loyalty card program. Lifestyle's card program is called Inner Circle, Pantaloon card program is named as Green card, Shoppers Stop card program is known as First Citizen and Westside loyalty card program is West club. The study examines the customer membership status and their experience and perception on membership program.

Table: Customer membership card/loyalty card status

Name of the Outlet	Yes	No	Total
Lifestyle	105 (54.4)	88 (45.6)	193 (100)
Pantaloon	96 (47.8)	105 (52.2)	201 (100)
Shoppers Stop	155 (65.4)	82 (34.6)	237 (100)
Westside	58 (54.7)	48 (45.3)	106 (100)
Total	414 (56.2)	323 (43.8)	737 (100)

Table 5.44: Membership card status

The above table 5.44 explains the customer's membership card status. The study has interviewed total 760 customers from all four cities Delhi, Hyderabad, Kolkata and Mumbai of the selected outlet Lifestyle, Pantaloons, Shoppers Stop and Westside. Out of total 760 customers 414 customers are membership card holders and 323 customers are not having membership cards. Remaining 23 of total 760 customers are not aware of membership card program offered by the outlets.

5.3.2. Hypothesis-5: Customer income level substantially impacts loyalty card program.

Membership card holder's income status

Customer Income Level	Customer Membership card/Loyalty cards status		Total
	Yes	No	
Dependent/No income	135 (57.4)	100 (42.6)	235 (100)
< 120000	5 (50.0)	5 (50.0)	10 (100)
120001- 240000	41 (48.2)	44 (51.8)	85 (100)
240001 - 360000	61 (46.2)	71 (53.8)	132 (100)
360001-500000	80 (66.1)	41 (33.9)	121 (100)
>500000	92 (59.7)	62 (40.3)	154 (100)
Total	414 (56.2)	323 (43.8)	737 (100)

Table 5.45: Membership card holder's income status

Note: $760 - 737 = 23$ (These 23 customers are not aware of Membership card program).

The above table 5.45 displays the membership card and non membership card holder's income position. These two category customers are present for all kind of income group categories. From membership card holders group highest percentage 66.1% and 59.7% are from Rs. 3,60,000 – Rs. 5,00,00 and greater than Rs. 5,00,000 per year income group customers respectively. These two group customers are highest income level customer in this study. Next position is taken by No income/Dependents, their percentage in the membership card program is 57.4%. Its clearly says that there is no income criteria of holding membership card of any outlets.

From non membership card holders group 53.8% customers belong to Rs 2, 40,000 to Rs 3, 60,000 and 42.6% customers are belongs to No income/Dependent customers. Highest income group customers as well as No income/Dependent group customers both are not interested to take membership. Finally it can be concluded that holding membership card of any outlet does not depend on the customer income.

5.3.2.1. City and Store wise customer membership card status

Place of the Mall	Name of the Outlet	Income						Total
		No income	< 120000	120001 - 240000	240001 - 360000	360001 - 500000	> 500000	
Delhi	Lifestyle	66.7%			7.7%	10.3%	15.4%	100.0%
	Pantaloon	59.3%	7.4%	3.7%	3.7%	25.9%		100.0%
	Shoppers Stop	45.5%			6.1%	15.2%	33.3%	100.0%
	Westside	53.3%		13.3%			33.3%	100.0%
Hyderabad	Lifestyle	21.1%		2.6%	28.9%	31.6%	15.8%	100.0%
	Pantaloon	33.3%	9.5%	4.8%	9.5%	28.6%	14.3%	100.0%
	Shoppers Stop	22.0%		9.8%	22.0%	29.3%	17.1%	100.0%
	Westside	12.5%		31.3%	31.3%	18.8%	6.3%	100.0%
Kolkata	Pantaloon	35.7%	3.6%	17.9%	7.1%	10.7%	25.0%	100.0%
	Shoppers Stop	36.6%		4.9%	7.3%	14.6%	36.6%	100.0%
	Westside	15.4%		38.5%	23.1%	15.4%	7.7%	100.0%
Mumbai	Lifestyle	21.4%		7.1%	17.9%	21.4%	32.1%	100.0%
	Pantaloon	25.0%		10.0%	25.0%	30.0%	10.0%	100.0%
	Shoppers Stop	15.0%		12.5%	15.0%	20.0%	37.5%	100.0%
	Westside			42.9%	28.6%		28.6%	100.0%

Table 5.46: City and store wise customer membership card status

The above table 5.46 clearly explains that the highest membership card holders are from Delhi and most of them are No income/Dependent income group customers. From Mumbai highest membership card holder belongs to greater than Rs 5, 00,000 per year income group. In Hyderabad most of membership card holders are from No income/Dependent income group. Whereas in Kolkata it is the same case as that of Delhi and Hyderabad. The table also explains that Less than Rs. 1, 20,000 per year (Rs. 10,000/- per month) income group customers are not availing the membership card program facility. These income group customers are lower middle class group customers and they visit these stores occasionally.

5.3.2.2. City and Outlet wise customer membership card status: Delhi

Name of the Outlet	Membership Card Status	Income						Total
		No income/Dependent	< 120000	120001-240000	240001 - 360000	360001-500000	>500000	
Life style	Yes	26 (66.7)	0 (0.0)	0 (0.0)	3 (7.7)	4 (10.3)	6 (15.4)	39 (100)
	No	5 (33.3)	0 (0.0)	2 (13.3)	3 (20.0)	0 (0.0)	5 (33.3)	15 (100)
	Total	31 (57.4)	0 (0.0)	2 (3.7)	6 (11.1)	4 (7.4)	11 (20.4)	54 (100)
Pantaloons	Yes	16 (59.3)	2 (7.4)	1 (3.7)	1 (3.7)	7 (25.9)	0 (0.0)	27 (100)
	No	8 (34.8)	1 (4.3)	5 (21.7)	4 (17.4)	3 (13.0)	2 (8.7)	23 (100)
	No Programs	1 (50.0)	0 (0.0)	0 (0.0)	1 (50.0)	0 (0.0)	0 (0.0)	2 (100)
	Total	25 (48.1)	3 (5.8)	6 (11.5)	6 (11.5)	10 (19.2)	2 (3.8)	52 (100)
Shoppers stop	Yes	15 (45.5)	0 (0.0)	0 (0.0)	2 (6.1)	5 (15.2)	11 (33.3)	33 (100)
	No	9 (47.4)	0 (0.0)	0 (0.0)	1 (5.3)	1 (5.3)	8 (42.1)	19 (100)
	No Programs	1 (33.3)	0 (0.0)	0 (0.0)	1 (33.3)	0 (0.0)	1 (33.3)	3 (100)
	Total	25 (45.5)	0 (0.0)	0 (0.0)	4 (7.3)	6 (10.9)	20 (36.4)	55 (100)
West side	Yes	8 (53.3)	0 (0.0)	2 (13.3)	0 (0.0)	0 (0.0)	5 (33.3)	15 (100)
	No	7 (63.6)	0 (0.0)	1 (9.1)	0 (0.0)	1 (9.1)	2 (18.2)	11 (100)
	No Programs	1 (100)	0 (0.0)	0 (0.0)	0 (0.0)	0 (0.0)	0 (0.0)	1 (100)
	Total	16 (59.3)	0 (0.0)	3 (11.1)	0 (0.0)	1 (3.7)	7 (25.9)	27 (100)

Table 5.47: Delhi customer's membership card status

Above table 5.47 shows the customer membership card details and information city wise and outlet wise. The responses are recorded in four different locations (Delhi, Hyderabad, Kolkata, and Mumbai) at four different malls (Lifestyle, Pantaloons, Shoppers Stop, and Westside). The respondents are divided into six categories of No Income/Dependent, Less than Rs. 1,20,000 (< Rs. 1,20,000), Rs. 1,20,001- Rs. 2,40,000, Rs. 2,40,001 - Rs. 3,60,000, Rs. 3,60,001-Rs. 5,00,000, and Higher/Greater than Rs. 5,00,000 (>Rs. 500000). Majority of the respondents (from all four cities) belong to No Income/Dependent group.

Total respondents that fall in the above four categories at Delhi's shopping malls are (Lifestyle, Pantaloons, Shoppers Stop and Westside) 54, 52, 55, and 27 respectively.

Out of total 54 respondents surveyed at Lifestyle outlet, 57.4% and 20.4% belonged to No Income/Dependent and more than Rs 5, 00,000 per year Income group respectively. Out of total 52 respondents surveyed at Pantaloon mall, 48.1% and 3.8% belong to No Income/Dependent and more than Rs 5, 00,000 per year Income group respectively. Out of total 55 respondents surveyed at Shoppers Stop mall, 45.5% and 36.4% belong to No Income/Dependent and more than Rs 5, 00,000 per year Income group respectively. Out of total 27 respondents surveyed at Westside mall, 59.3% and 25.9% belonged to No Income/Dependent and more than Rs 5, 00,000 per year Income group respectively.

It can be inferred that highest groups that have membership card belongs to No income/Dependent and more than Rs 5, 00,000 per year income group. An important point to be observed is that this group is the one that is no income/Dependents number. Basically this group comprises of respondents who are either students or have completed their studies recently and also 90 percent of these respondent groups belong to rich families. Hence, it can be said that respondents of this group frequently visit these organized outlets for shopping.

Hyderabad

Name of the Outlet	Membership Card Status	Income						Total
		No income	< 120000	120001-240000	240001 - 360000	360001-500000	>500000	
Lifestyle	Yes	8 (21.1)	0 (0.0)	1 (2.6)	11 (28.9)	12 (31.6)	6 (15.8)	38 (100)
	No	9 (24.3)	4 (10.8)	5 (13.5)	5 (13.5)	6 (16.2)	8 (21.6)	37 (100)
	No Programs	0 (0.0)	0 (0.0)	0 (0.0)	2 (66.7)	0 (0.0)	1 (33.3)	3 (100)
	Total	17 (21.8)	4 (5.1)	6 (7.7)	18 (23.1)	18 (23.1)	15 (19.2)	78 (100)
Pantaloon	Yes	7 (33.3)	2 (9.5)	1 (4.8)	2 (9.5)	6 (28.6)	3 (14.3)	21 (100)
	No	6 (24.0)	0 (0.0)	3 (12.0)	9 (36.0)	4 (16.0)	3 (12.0)	25 (100)
	No Programs	3 (75.0)	0 (0.0)	0 (0.0)	0 (0.0)	0 (0.0)	1 (25.0)	4 (100)

	Total	16 (32.0)	2 (4.0)	4 (8.0)	11 (22.0)	10 (20.0)	7 (14.0)	50 (100)
Shoppers Stop	Yes	9 (22.0)	0 (0.0)	4 (9.8)	9 (22.0)	12 (29.3)	7 (17.1)	41 (100)
	No	4 (28.6)	0 (0.0)	2 (14.3)	6 (42.9)	1 (7.1)	1 (7.1)	14 (100)
	No Programs	0 (0.0)	0 (0.0)	0 (0.0)	1 (50.0)	0 (0.0)	1 (50.0)	2 (100)
	Total	13 (22.8)	0 (0.0)	6 (10.5)	16 (28.1)	13 (22.8)	9 (15.8)	57 (100)
Westside	Yes	2 (12.5)	0 (0.0)	5 (31.3)	5 (31.3)	3 (18.8)	1 (6.3)	16 (100)
	No	2 (20.0)	0 (0.0)	2 (20.0)	3 (30.0)	3 (30.0)	0 (0.0)	10 (100)
	Total	4 (15.4)	0 (0.0)	7 (26.9)	8 (30.8)	6 (23.1)	1 (3.8)	26 (100)

Table 5.48: Hyderabad customer's membership card status

The above table 5.48 explains that the total number of the respondents surveyed at Hyderabad malls – Lifestyle, Pantaloon, Shoppers Stop, and Westside are 78,50,57, and 26 respectively. Out of total 78 respondents surveyed at Life style mall, 21.8% and 19.2% belong to No Income/Dependent and more than Rs. 5, 00,000 per year Income group respectively.

Out of total 50 respondents surveyed at Pantaloon mall, 32.0% and 14.0% belonged to No Income/Dependent and more than Rs. 5, 00,000 per year Income group respectively. Out of total 57 respondents surveyed at Shopper Stop mall, 22.8% and 15.8% belonged to No Income/Dependent and more than Rs. 5, 00,000 per year Income group respectively. Out of total 26 respondents surveyed at Westside, 15.4% and 3.8% belonged to No Income/Dependent and more than Rs. 5, 00,000 per year Income group respectively.

Kolkata

Name of the Outlet	Membership Card Status	Income						Total
		No income	< 120000	120001-240000	240001 - 360000	360001-500000	>500000	
Pantaloon	Yes	10 (35.7)	1 (3.6)	5 (17.9)	2 (7.1)	3 (10.7)	7 (25.0)	28 (100)
	No	13 (41.9)	0 (0.0)	6 (19.4)	7 (22.6)	2 (6.5)	3 (9.7)	31 (100)
	Total	23 (39.0)	1 (1.7)	11 (18.6)	9 (15.3)	5 (8.5)	10 (16.9)	59 (100)
Shoppers Stop	Yes	15 (36.6)	0 (0.0)	2 (4.9)	3 (7.3)	6 (14.6)	15 (36.6)	41 (100)
	No	4 (14.8)	0 (0.0)	4 (14.8)	5 (18.5)	6 (22.2)	8 (29.6)	27 (100)
	No Programs	0 (0.0)	0 (0.0)	0 (0.0)	0 (0.0)	1 (100)	0 (0.0)	1 (100)
	Total	19 (27.5)	0 (0.0)	6 (8.7)	8 (11.6)	13 (18.8)	23 (33.3)	69 (100)
Westside	Yes	2 (15.4)	0 (0.0)	5 (38.5)	3 (23.1)	2 (15.4)	1 (7.7)	13 (100)
	No	2 (18.2)	0 (0.0)	3 (27.3)	1 (9.1)	0 (0.0)	5 (45.5)	11 (100)
	Total	4 (16.7)	0 (0.0)	8 (33.3)	4 (16.7)	2 (8.3)	6 (25.0)	24 (100)

Table 5.49: Kolkata customer's membership card status

The total number of the respondents surveyed at Kolkata malls – Lifestyle, Pantaloon, Shoppers Stop, and Westside are 59, 69, and 24 respectively. Lifestyle outlets are not located in Kolkata. Out of total 59 respondents surveyed at Pantaloon mall, 39.0% and 16.9% belong to No Income/Dependent and more than Rs 5, 00,000 per year Income group respectively.

The above table 5.49 Out of total 69 respondents surveyed at Shopper Stop mall, 27.5% and 33.3% belonged to No Income/Dependent and more than Rs 5, 00,000 per year Income group respectively. Out of total 24 respondents surveyed at No Income/Dependent and more than Rs. 5, 00,000 per year Income group respectively Income and more than Rs 5, 00,000 Income group respectively.

Mumbai

Name of the Outlet	Membership Card Status	Income						Total
		No income	< 120000	120001-240000	240001 - 360000	360001-500000	>500000	
Lifestyle	Yes	6 (21.4)	0 (0.0)	2 (7.1)	5 (17.9)	6 (21.4)	9 (32.1)	28 (100)
	No	14 (38.9)	0 (0.0)	5 (13.9)	10 (27.8)	5 (13.9)	2 (5.6)	36 (100)
	No Programs	0 (0.0)	0 (0.0)	0 (0.0)	2 (100)	0 (0.0)	0 (0.0)	2 (100)
	Total	20 (30.3)	0 (0.0)	7 (10.6)	17 (25.8)	11 (16.7)	11 (16.7)	66 (100)
Pantaloen	Yes	5 (25.0)	0 (0.0)	2 (10.0)	5 (25.0)	6 (30.0)	2 (10.0)	20 (100)
	No	5 (19.2)	0 (0.0)	4 (15.4)	13 (50.0)	2 (7.7)	2 (7.7)	26 (100)
	No Programs	1 (25.0)	0 (0.0)	0 (0.0)	2 (50.0)	1 (25.0)	0 (0.0)	4 (100)
	Total	11 (22.0)	0 (0.0)	6 (12.0)	20 (40.0)	9 (18.0)	4 (8.0)	50 (100)
Shoppers Stop	Yes	6 (15.0)	0 (0.0)	5 (12.5)	6 (15.0)	8 (20.0)	15 (37.5)	40 (100)
	No	8 (36.4)	0 (0.0)	2 (9.1)	2 (9.1)	2 (9.1)	8 (36.4)	22 (100)
	Total	14 (22.6)	0 (0.0)	7 (11.3)	8 (12.9)	10 (16.1)	23 (37.1)	62 (100)
Westside	Yes	0 (0.0)	0 (0.0)	6 (42.9)	4 (28.6)	0 (0.0)	4 (28.6)	14 (100)
	No	4 (25.0)	0 (0.0)	0 (0.0)	2 (12.5)	5 (31.3)	5 (31.3)	16 (100)
	No Programs	0 (0.0)	0 (0.0)	1 (100.0)	0 (0.0)	0 (0.0)	0 (0.0)	1 (100)
	Total	4 (12.9)	0 (0.0)	7 (22.6)	6 (19.4)	5 (16.1)	9 (29.0)	31 (100)

Table 5.50: Mumbai customer's membership card status

The above table 5.50 highlights the total number of the respondents surveyed at Mumbai malls – Lifestyle, Pantaloen, Shoppers Stop, and Westside i.e. 66, 50, 62, and 31 respectively. Out of total 66 respondents surveyed at Lifestyle mall, 30.3% and 16.7% belong to No Income/Dependent and more than Rs. 5, 00,000 per year Income group respectively. Out of total 50 respondents surveyed at Pantaloen mall, 22.0% and 8.0% belong to No Income/Dependent and more than Rs. 5, 00,000 per year Income group respectively./

Out of total 62 respondents surveyed at Shoppers Stop mall, 22.6% and 37.1% belong to No Income/Dependent and more than Rs. 5, 00,000 per year Income group respectively. Out of total 26 respondents surveyed at Westside, 12.9% and 29.0% belong to No Income/Dependent and more than Rs. 5, 00,000 per year Income group respectively.

Observations

In overall analysis, the study has identified that in all four cities of four outlets, among the membership card holders majority respondents belong to No income/Dependent and more than Rs. 5,00,000 (above Rs. 40,000/- per month) per year income group. Followed by Rs. 360001 to Rs. 5, 00,000 (above Rs. 30,000/- per month) per year and Rs. 2, 40,000 to Rs. 3, 60, 000 (above Rs. 20,000/-per month) respectively.

An important observation in this study is that the membership card holders belonging to the group of < Rs. 1, 20000 (above Rs. 10,000/- per month) per year number is very less. In most of the cases their presence is negligible. This group respondent comes under middle or lower middle class group. Occasionally they do shopping with these organized retail outlets. They are more prices conscious.

Finally the study concludes that there is no relationship between customer membership card and their income. All the above tables explain the customer membership card status and their income position. Membership card holders are registered in all the stores who belong to all income groups. Customers opt for the membership card based on the satisfaction level, and not on income level. So the hypothesis “**Customer income level is substantially impacts loyalty card program is REJECTED.**”

5.3.3. Hypothesis-6: Membership/Loyalty card programs create long term relationship with customers.

From each city and outlet wise membership card holders their experience details

Name of the City	Name of the Outlet	1-2 Years	2-4 Years	4-6 Years	More than 6 years	Total	Not applicable	Grand Total
Delhi	Lifestyle	18 (33.3)	14 (25.9)	4 (7.4)	3 (5.0)	39 (72.0)	15 (27.8)	54 (100)
	Pantaloon	8 (15.4)	13 (25.0)	4 (7.7)	2 (3.0)	27 (51.0)	25 (48.0)	52 (100)
	Shoppers Stop	11 (20.0)	13 (23.6)	7 (12.7)	2 (3.0)	33 (60.0)	22 (40.0)	55 (100)
	Westside	7 (25.9)	6 (22.2)	0 (0.0)	2 (7.0)	15 (55.0)	12 (44.0)	27 (100)
	Total	44 (23.4)	46 (24.5)	15 (8.0)	9 (4.0)	114 (60.0)	74 (39.0)	188 (100)
Hyderabad	Lifestyle	9 (11.5)	18 (23.1)	8 (10.3)	3 (3.0)	38 (48.0)	40 (51.0)	78 (100)
	Pantaloon	6 (12.0)	9 (18.0)	3 (6.0)	3 (6.0)	21 (42.0)	29 (58.0)	50 (100)
	Shoppers Stop	13 (22.8)	15 (26.3)	8 (14.0)	5 (8.0)	41 (71.0)	16 (28.0)	57 (100)
	Westside	5 (19.2)	8 (30.8)	2 (7.7)	1 (3.0)	16 (61.0)	10 (38.0)	26 (100)
	Total	33 (15.6)	50 (23.7)	21 (100)	12 (5.0)	116 (55.0)	95 (45.0)	211 (100)
Kolkata	Pantaloon	10 (16.9)	13 (22.0)	4 (6.8)	1 (1.0)	28 (47.0)	31 (52.0)	59 (100)
	Shoppers Stop	12 (17.4)	17 (24.6)	9 (13.0)	3 (4.0)	41 (59.0)	28 (40.0)	69 (100)
	Westside	5 (20.8)	4 (16.7)	2 (8.3)	2 (8.0)	13 (54.0)	11 (45.0)	24 (100)
	Total	27 (17.8)	34 (22.4)	15 (9.9)	6 (3.0)	82 (53.0)	70 (46.0)	152 (100)
Mumbai	Lifestyle	10 (15.2)	13 (19.7)	3 (4.5)	2 (3.0)	28 (42.0)	38 (57.0)	66 (100)
	Pantaloon	9 (18.0)	7 (14.0)	2 (4.0)	2 (4.0)	20 (40.0)	30 (60.0)	50 (100)
	Shoppers Stop	14 (22.6)	18 (29.0)	4 (6.5)	4 (6.0)	40 (64.0)	22 (35.0)	62 (100)
	Westside	2 (6.5)	5 (16.1)	6 (19.0)	1 (3.0)	14 (45.0)	17 (54.0)	31 (100)
	Total	35 (16.7)	43 (20.6)	15 (7.0)	9 (4.0)	102 (48.0)	107 (51.0)	209 (100)

Table 5.51: Each city and outlet wise membership card holders their experience details.

60.6% respondents from Delhi (table 5.51) hold outlet membership card and 39.4% do not hold any outlet membership card. The majority of respondents holding

membership cards at Lifestyle (72.2%). The maximum period of membership card holding is recorded from the 1 to 2 years (23.4%) and 2 to 4 years (24.5%).

From Hyderabad respondents 55.0% do hold outlet membership card and 45.0% do not hold any outlet membership card. The majority of respondents holding membership card reported at Shoppers Stop (71.9%). The maximum membership card holder period is recorded from the 1 to 2 years (15.6%) and 2 to 4 years (23.7%).

From Kolkata respondents 53.9% do hold outlet membership card and 46.1% do not hold any outlet membership card. The majority of respondents holding membership card are reported almost uniform in all four outlets and recorded highest at Shoppers Stop (59.4%). The maximum membership card holder period is recorded from the 1 to 2 years (17.8%) and 2 to 4 years (22.4%).

From Mumbai respondents 48.8% do hold outlet membership card and 51.2% do not hold any outlet membership card. The majority of respondents holding membership card are reported at Shoppers Outlet (64.5%). The maximum membership card holder period is recorded from the 1 to 2 years (16.7%) and 2 to 4 years (20.6%).

In all the four shopping malls, there are a good number of customers who are membership card holders. Compared with the other outlets, shoppers Stop is having high membership customers i.e. 155(67%) out total 243. Whereas Lifestyle, Pantaloon and Westside have relatively lower membership customers in the sample study. This is a focus area for these retailers.

Overall store wise data

Name of the Outlet	1-2 Years	2-4 Years	4-6 Years	More than 6 years	Total
Lifestyle	37 (35.2)	45 (42.9)	15 (14.3)	8 (7.6)	105 (100)
Pantaloon	33 (34.4)	42 (43.8)	13 (13.5)	8 (8.3)	96 (100)
Shoppers Stop	50 (32.3)	63 (40.6)	28 (18.1)	14 (9.0)	155 (100)
Westside	19 (32.8)	23 (39.7)	10 (17.2)	6 (10.3)	58 (100)
Total	139 (33.6)	173 (41.8)	66 (15.9)	36 (8.7)	414 (100)

Table 5.52: Duration customer's experience with membership card

Above table 5.52 shows the status of customer's membership card and since how long the customers are using the cards. Card usage period is divided into the four groups, which are 1 to 2 years, 2 to 4 years, 4 to 6 years, and more than 6 years. The survey is conducted in four different cities (Delhi, Hyderabad, Kolkata and Mumbai) and at four different malls.

Out of total 760 respondents 414 respondents are membership card holders and 346 respondents belongs to the group of non membership card and not aware of membership card program. 198 respondents are from Lifestyle out of which 105 respondents are membership card holders. In this 35%, 42% means above 75% respondents are using membership card from last 1 to 2 years and 2 to 4 years respectively. From pantaloone total 211 respondents out of which 96 respondents are belongs to membership program category. Here also 34%, 44% respondent's means above 78 % customers are from 1 to 2 years and 2 to 4 years experience group.

Shoppers Stop total is 243 out of which 155 customers are using membership card program. Here also 32.5%, 40% respondent's means 72.5% respondents are 1 to 2 years and 2 to 4 years experience group. Finally Westside total respondents are 108 out of which 58 respondents are having membership card. 33%, 40% respondent's means almost 75% respondents are from 1 to 2 years and 2 to 4 years experience group. It is concluded that Shoppers Stop customers' range high in terms of membership card holding.

5.3.3.1. Experienced customers satisfaction on loyalty card program

Period of membership	Overall satisfaction		Total
	Yes	No	
1-2 Years	127 (91.4)	12 (8.6)	139 (100)
2-4 Years	157 (90.8)	16 (9.2)	173 (100)
4-6 Years	61 (92.4)	5 (7.6)	66 (100)
More than 6 years	33 (91.7)	3 (8.3)	36 100
Total	378 (91.3)	36 (8.7)	414 (100)

Table 5.53: Customers membership card status Vs Period of experience

The above table 5.53 explains membership card holders and their period of experience. 91.3% customers are satisfied with membership card program transactions and services. Only 8.7% of customers were unsatisfied membership card holders. This number is very less. In the above table period of membership card list has been divided in to four groups. 1 to 2 years, 2 to 4 years, 4 to 6 years and more than 6 years. From all the group satisfied customers percentage is more than 90%. It shows that membership customers are happy with membership program and its benefits, so they are enjoying and continuing good relationship with respective companies.

Chi-square test

Chi-square is one of the very popular methods for testing hypothesis on discrete data. Chi-square test is a statistical test commonly uses to compare observed data with data we would expect to obtain according to a specific hypothesis. It analyzes three type of test which are a) Chi-square test for goodness of fit, b) Chi-square test for homogeneity and c) Chi-square test of independence. In this study Chi-square test applied to test the goodness of fit of loyalty card Vs long term relationship. For this study the level of significance is fixed at 5 percent (i.e. $\alpha = 0.05$). The tests are carried out using statistical software tool i.e., SPSS 17.

Loyalty program Vs long term relationship

	Highly Agree	Moderately Agree	Neither/nor	Moderately Disagree	Disagree	Total
Highly Satisfied	106	3	1	0	0	110
Moderately Satisfied	1	177	0	0	0	178
Neither/nor	1	3	109	1	0	114
Moderately Dissatisfied	0	1	0	7	0	8
Dissatisfied	0	0	0	0	4	4
Total	108	184	110	8	4	414

Table 5.54: Membership card customers' satisfaction status

The above table 5.54 shows the relationship between loyalty card and customer relationship. The 5 X 5 table explains the customer satisfaction level on loyalty card benefits that is calculated by 5 point scale like “highly satisfy, moderately satisfy, neither/nor, moderately dissatisfied and dissatisfied”. And also customer relationship

by 5 point scale of highly agree, moderately agree, neither/nor, moderately disagree and disagree.

Chi-Square Tests			
	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	3509.894 ^a	25	.000
Likelihood Ratio	1920.206	25	.000
Linear-by-Linear Association	754.251	1	.000
N of Valid Cases	760		
a. 20 cells (55.6%) have expected count less than 5. The minimum expected count is .02.			

Table 5.55: Chi-Square Tests

The above table 5.55 indicates calculated value of Chi-Square is 3509.894 at 5 percent level of significance and 25 degrees of freedom $\{(5-1) \times (5-1) = 4 \times 4\}$ whereas the Table value is 26.296. The asymptotic value is 0.000 which is lower than 0.05 and affirm the Chi-square value is greater than table value which highly strengthens the alternative hypothesis statement and rejects the null hypothesis.

Hence it is concluded that there is a significant relationship of loyalty card program its benefits and customer long term relationship with organization. Finally it concluded that the hypothesis **“Membership/Loyalty card programs create long term relationship with customers”** is **ACCEPTED**.

5.3.4. Hypothesis-7: The level of customer satisfaction is higher among membership card holders.

For testing of this hypothesis level of customer satisfaction is higher among membership card holders compared to non membership card holders. Mean comparison between membership card holder's satisfaction level and non membership card holder satisfactions level is carried on for the purpose of testing this hypothesis.

Mean Value between Membership card Vs Non membership card holders

S. No	Variables	Membership card holders	Non Membership card holders
1	Desired products Availability	2.96	2.64
2	Products Varieties Availability	3.37	3.07
3	Desired New arrivals Availability	2.82	2.32
4	Product Price	2.88	2.78
5	Product Quality	2.36	2.23
6	Staff Support Service	2.78	2.46
7	Shopping Atmosphere	2.42	2.17
8	Technology Service	2.90	2.38
9	Relationship/Interaction	2.80	2.50
10	Special Offer	3.22	2.82
11	Discounts	2.91	2.79
12	Facilities	2.54	2.52
13	Billing service	2.20	2.18
14	Children play area	2.53	2.25

Table 5.56: Customers membership card Vs non membership card

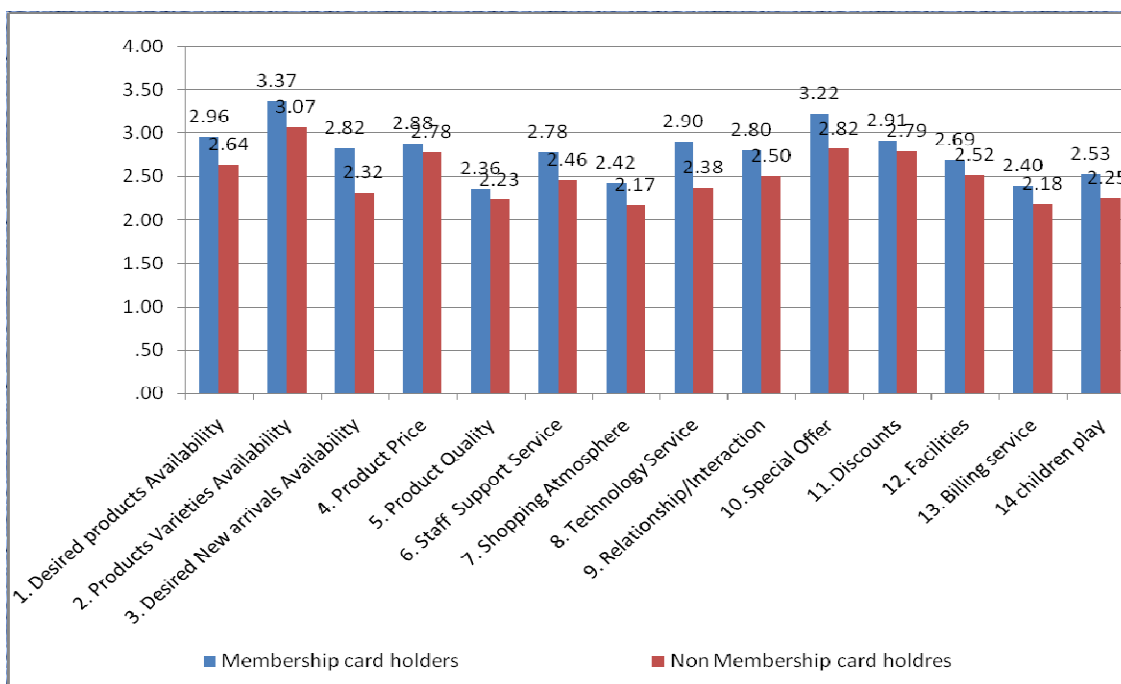


Figure: 5.11: Customers membership card Vs non membership card

The above table 5.56 and figure 5.11 shows the customer satisfaction level between membership card holders and non membership card holders. Blue color bar represents membership card holder's response and red color bars represents non membership card holders' response. Total 760 customers have responded on various variables which are shown in the bar chart. From first variable is desired product availability to

children's play area in all variables it clearly shows that membership card holders satisfaction level is higher than non membership card holders. Membership card holders frequently visits these outlets and they are very familiar with products and services of outlet compared to non membership card holders. Finally it is concluded that the hypothesis **“The level of customer satisfaction is higher among membership card holders”** is **ACCEPTED**.

5.3.5. Membership card holders Satisfaction status

Place of the Mall	Name of the Outlet	Highly Satisfied	Moderately Satisfied	Neither /nor	Moderately Dissatisfied	Dissatisfied	Not Applicable	Total
Delhi	Lifestyle	14 (25.9)	12 (22.2)	13 (24.1)	0 (0.0)	0 (0.0)	15 (27.8)	54 (100)
	Pantaloon	12 (23.1)	8 (15.4)	7 (13.5)	0 (0.0)	0 (0.0)	25 (48.1)	52 (100)
	Shoppers Stop	12 (21.8)	12 (21.8)	9 (16.4)	0 (0.0)	0 (0.0)	22 (40.0)	55 (100)
	Westside	4 (14.8)	5 (18.5)	3 (11.1)	3 (11.1)	0 (0.0)	12 (44.4)	27 (100)
	Total	42 (22.3)	37 (19.7)	32 (17.0)	3 (1.6)	0 (0.0)	74 (39.4)	188 (100)
Hyderabad	Lifestyle	9 (11.5)	15 (19.2)	11 (14.1)	1 (1.3)	0 (0.0)	40 (51.3)	78 (100)
	Pantaloon	6 (12.0)	6 (12.0)	6 (12.0)	1 (2.0)	2 (4.0)	29 (58.0)	50 (100)
	Shoppers Stop	9 (15.8)	19 (33.3)	13 (22.8)	0 (0.0)	0 (0.0)	16 (28.1)	57 (100)
	Westside	6 (23.1)	6 (23.1)	4 (15.4)	0 (0.0)	0 (0.0)	10 (38.5)	26 (100)
	Total	30 (14.2)	46 (21.8)	34 (16.1)	2 (0.9)	4 (1.9)	95 (45.0)	211 (100)
Kolkata	Pantaloon	7 (11.9)	10 (16.9)	11 (18.6)	0 (0.0)	0 (0.0)	31 (52.5)	59 (100)
	Shoppers stop	9 (13.0)	26 (37.7)	5 (7.2)	1 (1.4)	0 (0.0)	28 (40.6)	69 (100)
	Westside	2 (8.30)	6 (25.0)	5 (20.8)	0 (0.0)	0 (0.0)	11 (45.8)	24 (100)
	Total	18 (11.8)	42 (27.6)	21 (13.8)	1 (0.7)	0 (0.0)	70 (46.1)	152 (100)
Mumbai	Lifestyle	8 (12.1)	16 (24.2)	3 (4.50)	1 (1.5)	0 (0.0)	38 (57.6)	66 (100)
	Pantaloon	2 (4.0)	10 (20.0)	8 (16.0)	0 (0.0)	0 (0.0)	30 (60.0)	50 (100)
	Shoppers Stop	10 (16.1)	19 (30.6)	10 (16.1)	1 (1.6)	0 (0.0)	22 (35.5)	62 (100)
	Westside	0 (0.0)	8 (25.8)	6 (19.4)	0 (0.0)	0 (0.0)	17 (54.8)	31 (100)
	Total	20 (9.6)	53 (25.4)	27 (12.9)	2 (1.0)	0 (0.0)	107 (51.2)	209 (100)

Table 5.57: Membership card holder's satisfaction status

Above table 5.57 explains the satisfaction level of membership card holders surveyed in the four different cities (Delhi, Hyderabad, Kolkata and Mumbai) and at four different outlets (Lifestyle, Pantaloon, Shoppers Stop and Westside). The level of satisfaction is divided into five categories of “Highly Satisfied, Moderately Satisfied, Neither/Nor, Moderately Unsatisfied and Dissatisfied”. Majority of the respondents are reported as Moderately Satisfied.

In Delhi 188 customers are surveyed to know their satisfaction level with the card membership. Majority of the respondents (22.3%) have recorded high levels of satisfaction. Non respondents reported Dissatisfaction towards the card membership.

In Hyderabad 211 customers are surveyed to know their satisfaction level with the card membership. Majority of the respondents (21.8%) have recorded moderate levels of satisfaction.

In Kolkata 152 customers are surveyed to know their satisfaction level with the card membership. Majority of the respondents (27.6%) have recorded moderate levels of satisfaction. Nil respondents reported Dissatisfaction towards the card membership.

In Mumbai 209 customers are surveyed to know their satisfaction level with the card membership. Majority of the respondents (25.4%) have recorded moderate levels of satisfaction. None of the respondents reported Dissatisfaction towards the card membership.

5.3.6. Customer opinion of membership card benefits

Loyalty program is an important technique to maintain the long term relationship with customers. Generally if organization wants to retain the customers they should provide some benefits to the customer. Through loyalty program companies are offering different type of benefits to the customers. These are “special discounts, special offers, reward points, gifts, invitations of participate special programs etc”. The study has observed that all these four companies are providing similar kind of benefits to the customers. But the way of implementation program structure is different. The study has identified the customer opinion on loyalty program structure and process by outlet wise.

5.3.6.1. Lifestyle

Customer Opinion	Reward Structure	Promotion offer	Schemes, Privileges	Redemption opinion	Sense of Bonding	Value added services	Other Facilities
Poor	8 (25.8)	7 (25.9)	10 (28.6)	6 (25.0)	11 (27.5)	16 (33.3)	8 (25.8)
Average	30 (30.3)	30 (26.8)	26 (22.8)	31 (28.2)	30 (26.5)	24 (25.5)	30 (30.3)
Above Average	30 (21.3)	34 (21.9)	38 (26.8)	33 (21.3)	38 (28.8)	32 (23.2)	30 (21.3)
Good	25 (24.5)	25 (28.7)	23 (28.0)	19 (25.7)	19 (19.0)	25 (26.6)	25 (24.5)
Excellent	12 (29.3)	9 (27.3)	8 (19.5)	16 (31.4)	7 (24.1)	8 (20.0)	12 (29.3)
Total	105 (25.4)	105 (25.4)	105 (25.4)	105 (25.4)	105 (25.4)	105 (25.4)	105 (25.4)

Table 5.58: Lifestyle customer opinion about membership card benefits

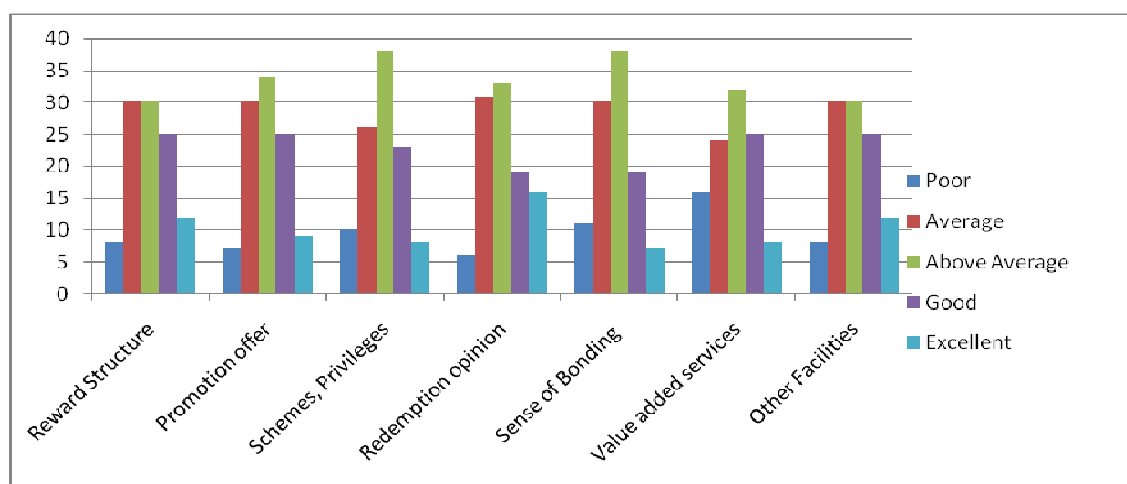


Figure 5.12: Lifestyle customer opinion of membership card benefits

Opinions of the respondents about Loyalty program at Lifestyle are recorded on the scale of “Poor, Average, Above Average, Good, and Excellent”. 105 respondents at Lifestyle outlet reported on program elements i.e. “Reward Structure, Promotion offer, Schemes Privileges, Redemption opinion, Sense Bonding, Value added services, and other Facilities”. The majority of the elements of the Loyalty program are reported as **Above Average** by the respondents (25.4%).

5.3.6.2. Pantaloons

Customer Opinion	Reward Structure	Promotion offer	Schemes, Privileges	Redemption opinion	Sense of Bonding	Value added services	Other Facilities
Poor	7 (20.6)	3 (11.1)	8 (22.90)	3 (12.5)	8 (20.0)	11 (22.9)	9 (29.0)
Average	29 (23.4)	24 (21.4)	31 (27.2)	22 (20.0)	26 (23.0)	22 (23.4)	19 (19.2)
Above Average	35 (25.2)	37 (23.9)	26 (18.3)	39 (25.2)	31 (23.5)	34 (24.6)	31 (22.0)
Good	19 (23.5)	25 (28.7)	18 (22.0)	20 (27.0)	27 (27.0)	21 (22.3)	26 (25.5)
Excellent	6 (16.7)	7 (21.2)	13 (31.7)	12 (23.5)	4 (13.8)	8 (20.0)	11 (26.8)
Total	96 (23.2)	96 (23.2)	96 (23.2)	96 (23.2)	96 (23.2)	96 (23.2)	96 (23.2)

Table 5.59: Pantaloons customer opinion about membership card benefits

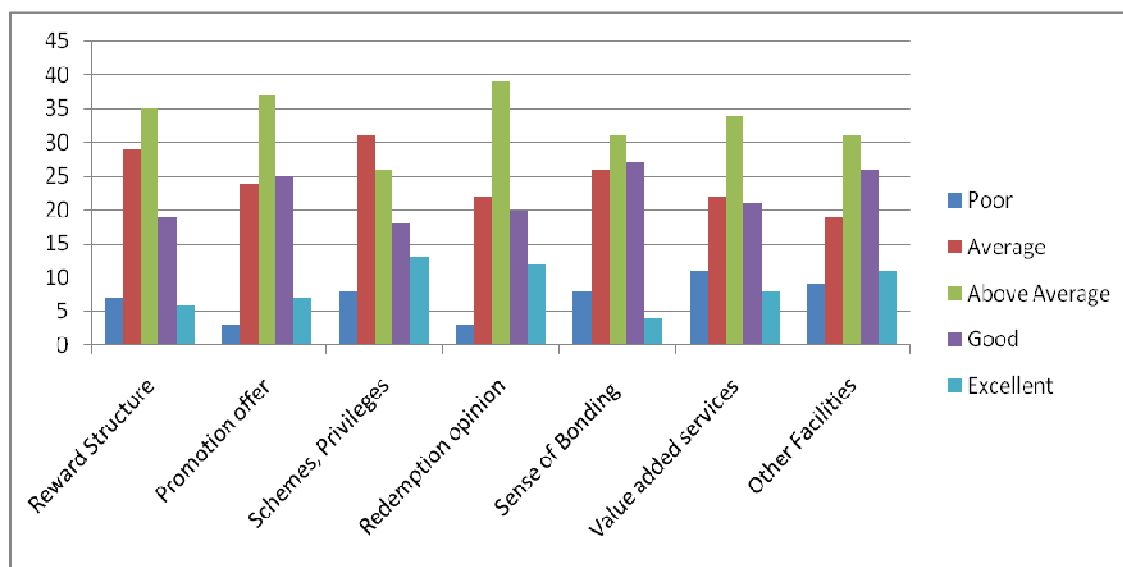


Figure 5.13: Pantaloon customer opinion of membership card benefits

Opinions of the respondents about the loyalty program at Pantaloon are recorded on the scale of “Poor, Average, Above Average, Good, and Excellent.” The total 96 respondents at Pantaloon reported on program elements i.e. “Reward Structure, Promotion offer, Schemes Privileges, Redemption opinion, Sense Bonding, Value added services, and other Facilities.” The majority of the elements of the Loyalty card Program are reported as **Above Average** by the respondents (23.2%).

5.3.6.3. Shoppers Stop

Customer Opinion	Reward Structure	Promotion offer	Schemes, Privileges	Redemption opinion	Sense of Bonding	Value added services	Other Facilities
Poor	13 (38.2)	10 (37.0)	13 (37.1)	9 (37.5)	18 (45.0)	14 (29.2)	10 (32.3)
Average	49 (39.5)	44 (39.3)	42 (36.8)	46 (41.8)	43 (38.1)	38 (40.4)	34 (34.3)
Above Average	47 (33.8)	59 (38.1)	58 (40.8)	58 (37.4)	41 (31.1)	56 (40.6)	58 (41.1)
Good	32 (39.5)	27 (31.0)	30 (36.6)	23 (31.1)	41 (41.0)	30 (31.9)	37 (36.3)
Excellent	14 (38.9)	15 (45.5)	12 (29.3)	19 (37.3)	12 (41.4)	17 (42.5)	16 (39.0)
Total	155 (37.4)	155 (37.4)	155 (37.4)	155 (37.4)	155 (37.4)	155 (37.4)	155 (37.4)

Table 5.60: Shoppers Stop customer opinion about membership card benefits

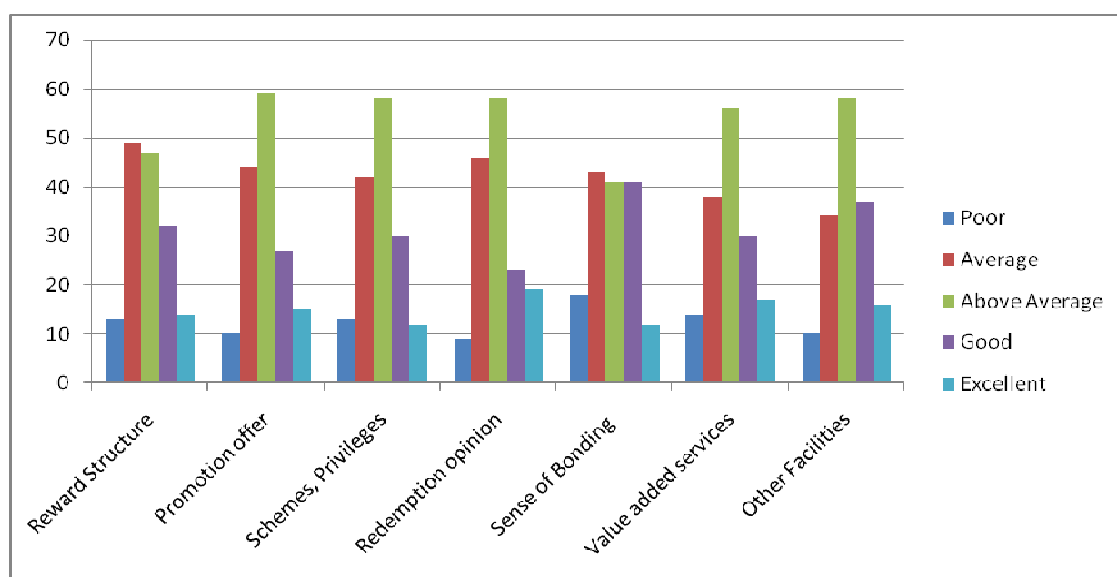


Figure 5.14: Shoppers Stop customer opinion about membership card benefits

Opinions of the respondents about the loyalty program at Shoppers Stop are recorded on the scale of “Poor, Average, Above Average, Good, and Excellent”. The total 155 respondents at Shoppers Stop reported on program elements i.e. “Reward Structure, Promotion offer, Schemes Privileges, Redemption opinion, Sense Bonding, Value added services, and other Facilities.” The majority of the elements of the Loyalty program are reported as **Above Average** by the respondents (37.4%).

5.3.6.4. Westside

Customer Opinion	Reward Structure	Promotion offer	Schemes, Privileges	Redemption opinion	Sense of Bonding	Value added services	Other Facilities
Poor	6 (17.6)	7 (25.9)	4 (11.4)	6 (25.0)	3 (7.5)	7 (14.6)	4 (12.9)
Average	18 (14.5)	14 (12.5)	15 (13.2)	11 (10.0)	14 (12.4)	10 (10.6)	16 (16.2)
Above Average	21 (15.1)	25 (16.1)	20 (14.1)	25 (16.1)	22 (16.7)	16 (11.6)	22 (15.6)
Good	8 (9.9)	10 (11.5)	11 (13.4)	12 (16.2)	13 (13.0)	18 (19.1)	14 (13.7)
Excellent	5 (13.9)	2 (6.1)	8 (19.5)	4 (7.8)	6 (20.7)	7 (17.5)	2 (4.9)
Total	58 (14.0)	58 (14.0)	58 (14.0)	58 (14.0)	58 (14.0)	58 (14.0)	58 (14.0)

Table 5.61: Westside customer opinion about membership card benefits

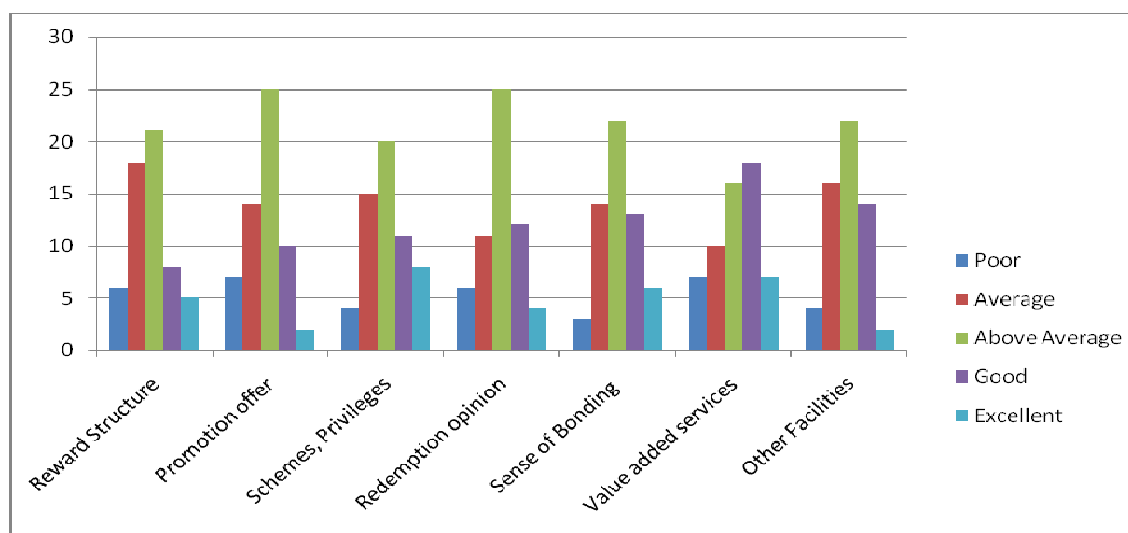


Figure 5.15: Westside customer opinion about membership card benefits

Opinions of the respondents about the loyalty program at Westside outlet recorded on the scale of “Poor, Average, Above Average, Good, and Excellent.” The total 58 respondents at Westside outlet reported on program elements i.e. “Reward Structure, Promotion offer, Schemes Privileges, Redemption opinion, Sense Bonding, Value added services, and other Facilities.” The majority of the elements of the Loyalty program are reported as **Above Average** by the respondents (14.0%).

5.3.7. Willingness of non membership cardholders about membership card

Name of The Outlet	Yes	No	Total
Lifestyle	68 (64.2)	25 (35.7)	93 (100)
Pantaloon	77 (67.0)	38 (33.0)	115 (100)
Shoppers Stop	60 (68.1)	28 (31.9)	88 (100)
Westside	34 (68.0)	16 (32.0)	50 (100)
Total	239 (69.0)	107 (31.0)	760 (100)

Table: 5.62: Willingness of non membership cardholders about membership card

The above table 5.62 shows the non membership card holder's willingness about to taking membership card from respective outlets. 760 of total customers 346 customers are non membership card holders. Out of 346 customers 239 (69%) of respondents are interested to take membership card from the respective outlets. It also shows that from each outlet almost equal percent (68%) of customers are ready to take membership cards from the outlets.

5.3.7.1. City and Outlet wise willingness of non membership cardholders about membership card details.

Name of the City	Name of the Outlet	Yes	No	Total
Delhi	Lifestyle	10 (66.7)	5 (33.3)	15 (100)
	Pantaloon	16 (64.0)	9 (36.0)	25 (100)
	Shoppers Stop	17 (77.3)	5 (22.7)	22 (100)
	Westside	7 (58.3)	5 (41.7)	12 (100)
	Total	50 (67.8)	24 (32.2)	74 (100)
Hyderabad	Lifestyle	31 (77.5)	9 (22.5)	40 (100)
	Pantaloon	22 (75.2)	7 (24.8)	29 (100)
	Shoppers Stop	11 (68.0)	5 (32.0)	16 (100)
	Westside	7 (70.0)	3 (30.0)	10 (100)
	Total	71 (74.7)	24 (25.3)	95 (100)

Kolkata	Pantaloon	23 (74.4)	8 (25.6)	31 (100)
	Shoppers Stop	18 (64.6)	10 (35.4)	28 (100)
	Westside	7 (63.6)	4 (36.4)	11 (100)
	Total	48 (68.1)	22 (31.9)	70 (100)
Mumbai	Lifestyle	27 (71.3)	11 (28.9)	38 (100)
	Pantaloon	16 (53.3)	14 (46.7)	30 (100)
	Shoppers Stop	14 (63.6)	8 (36.4)	22 (100)
	Westside	13 (76.1)	4 (23.9)	17 (100)
	Total	70 (65.0)	37 (35.00)	107 (100)

Table 5.63: City and Outlet wise willingness of non membership cardholders

The above table 5.63 records the willingness of the respondents to get the membership card/Loyalty card. The responses are recorded in four different cities (Delhi, Hyderabad, Kolkata, and Mumbai) and four different outlets (Lifestyle, Pantaloon, Shoppers Stop, and Westside). Majority of the respondents reported “Yes” to get membership card/Loyalty card.

In Delhi total 74 respondents are surveyed. Majority 67.8% recorded willingness to get membership card/Loyalty card. The respondents at Shoppers Stop outlet recorded highest (77.3%) willingness to opt for membership card/Loyalty card. A considerable share (32.2%) is reluctant towards membership card/Loyalty card.

In Hyderabad total 95 respondents are surveyed. Majority 74.7% recorded willingness to get membership card/Loyalty card. The respondents at Lifestyle outlet recorded highest (77.5%) willingness to opt for membership card/Loyalty card.

In Kolkata total 70 respondents are surveyed at Pantaloon, Shoppers Stop, and Westside. Majority 68.1% recorded willingness to get membership card/Loyalty card. The respondents at Pantaloon outlet recorded highest (74.4%) will to membership card/Loyalty card. A considerable share (31.9%) is reluctant towards membership card/Loyalty card.

In Mumbai total 107 respondents are surveyed. Majority 65.0% recorded willingness to get membership card/Loyalty card. The respondents at Westside outlet recorded highest (76.1%) willingness to opt for membership card/Loyalty card. A considerable share (35.0%) is reluctant towards membership card/Loyalty card.

5.3.8. Membership card with other outlets (Reference: Appendices)

In Delhi total 188 respondents have recorded as holding card at other outlets. The respondents at Shoppers Stop 61.8% admitted other outlet membership card/Loyalty card. The final result shows equal 50-50 results.

In Hyderabad total 211 respondents have recorded as holding card at other outlets. The respondents at West side 53.8% admitted other outlet membership card/Loyalty card. The final result shows majority 63.0% recorded “No” on other outlet membership card/Loyalty card.

In Kolkata total 152 respondents have recorded as holding card at other outlets. The respondents at Westside 54% admitted other outlet membership card/Loyalty card. The final result shows 38% customers say “Yes” and 62% customers say “No”.

In Mumbai total 209 respondents have recorded as holding card at other outlets. The respondents at Shoppers Stop 40.3% admitted other outlet membership card/Loyalty card. The final result shows majority 64.6% recorded “No” on other outlet membership card/Loyalty card.

5.3.8.1. Membership cards with more than one outlet

Name of the Outlet	Yes	No	Total
Lifestyle	74 (37.4)	124 (62.6)	198 (100)
Pantaloon	73 (34.6)	138 (65.4)	211 (100)
Shoppers Stop	104 (42.8)	139 (57.2)	243 (100)
Westside	53 (49.1)	55 (50.9)	108 (100)
Total	304 (40.0)	456 (60.0)	760 (100)

Table 5.64: Membership cards with more than one outlet

The above table 5.64 explains the customer membership card with more than one outlet. Total 760 customers have responded. 304 customers said “Yes” and 456 customers said “No”. All these 304 customers are members of different stores and some of them are not members of responded stores. It clearly says that out of 760 customers 80 to 90% customers are member of any one or two organized retail organization. So membership card program is common and important strategy for every retailer to retain the customer and maintain long term relationship with customers.

5.3.8.2. Membership cards with more than one outlet list

Name of the Outlet	Lifestyle	Pantaloons	Shoppers Stop	Westside	Others	More than one	Total
Lifestyle	None	13 (17.1)	32 (42.1)	7 (9.2)	15 (19.7)	9 (12.2)	76 (100)
Pantaloon	7 9.7	None	11 (15.3)	10 (13.9)	26 (36.1)	18 (25.0)	72 (100)
Shoppers Stop	35 34.0	14 (13.6)	None	11 (10.7)	20 (19.4)	23 (22.3)	103 (100)
Westside	6 11.3	15 (28.3)	8 (15.1)	None	19 (35.8)	5 (9.4)	53 (100)
Total	48	42	51	28	80	39	304

Table 5.65: Membership cards with more than one outlet list

The above table 5.65 is explains information of customer’s membership card with other outlet, other than the present outlet. Study has interviewed total 760 customers. Out of which 304 customers were responded. From Lifestyle outlet customers were questioned about membership card with other than Lifestyle. 42.1% customers of membership card holders of Shoppers Stop, and 9.2% of customers’ members of Westside.

From Pantaloon outlet customers were questioned about membership card with other than pantaloons. 36.1% customers responded to ‘other’. 25% more than one and 15.3 % with shoppers Stop cards. Shoppers Stop customers were responded to this question, the number is 34% customers are membership holders of Lifestyle, 22.3% customers are members of more than one outlet of these four. Westside shoppers responded like 35.8 customers are members of other than these four. 23.8 customers are members of Pantaloons. The least 9.4% Westside shoppers are members of more than one of these three outlets.

5.4. SECTION-D: TECHNOLOGY PRACTICES

Technology is essential for modern organized retailing business. Technology proves beneficial in creating and maintaining customer relationships. Retailers such as Lifestyle, Pantaloon, Shoppers Stop and Westside are using all kinds of technology tools like POS (Point of Sale), RFID (Radio frequency identification), Barcode, ERP (Enterprise resource planning), Mobile application, EAS (Electronic article surveillance), ECR (Electronic customer response), e-CRM (Electronic CRM), Checking scanner, Debit/Credit card payment machines, Data mining, Digital camera/CCTV, ATM's, Touch screens, Interactive Kiosks, Data warehousing, Smart-card embedded loyalty cards etc.

These technology tools are highly essential for any retail organization to survive in the present competitive techno world. All these technology devices simplify the business task and help to maintain good relationship with customers.

More authentic and useful data can be collected at the retail point of sales (POS) which helps to understand customer's preferences, buying habits, spending budgets and their individual family needs. Relationships are maintained by utilizing IT for periodical e-mailing, SMS, greetings, promotional letters and personal calling etc. Retailing growth has demanded IT deployment to broaden its arena and overcome challenges namely business optimization increasing Supply Chain Management (SCM) efficiency, innovating shopping experience and other manual limitations.

Present decade has witnessed tremendous growth in online shopping. Indians are very familiar with technological practices now. The current study has tried to find the online customers behaviour of web shopping and its practices. All the selected four stores have online technology services. Customers of these four stores are using online shopping transaction. The following section discusses the types of technological practices in selected retail stores and its customers approach.

5.4.1. Hypothesis-8: An Information Technology (IT) infrastructure in retail business helps to maintain good relationship with customers.

To test above mentioned hypothesis the study has identified different areas which are part of technology (IT) practices used by these four retailers. The study is mainly focused on customer satisfaction level on technology services provided by the stores, use and effectiveness of communication channels like SMS's, E-mails, Phone calls etc, wishes/greetings sends by retailers to the customers, web shopping practices etc. It has applied customer cross tabulation method to find the outcome of the data. Customers of selected stores have responded differently from the four cities.

5.4.1.1. Customer satisfaction of Technology services

To understand the customer satisfaction of the technology services provided by the Life style, Pantaloon, Shoppers Stop, and Westside malls located in Delhi, Hyderabad, Kolkata, and Mumbai, information has been collected from the customers. A total of 760 respondents are surveyed. The level of satisfaction is analyzed on scale of “Highly Satisfied, Moderately Satisfied, Neither/nor, Moderately Dissatisfied, and Highly Dissatisfied.”

(a) Outlet wise information

Name of the Outlet	Highly Satisfied	Moderately satisfied	Neither/nor	Moderately Dissatisfied	Highly Dissatisfied	Total
Lifestyle	35 (17.7)	129 (65.2)	24 (12.1)	8 (4.0)	2 (1.0)	198 (100)
Pantaloon	34 (16.1)	152 (72.0)	24 (11.4)	1 (0.5)	0 (0.0)	211 (100)
Shoppers Stop	63 (25.9)	152 (62.6)	19 (7.8)	6 (2.5)	3 (1.2)	243 (100)
Westside	19 (7.6)	72 (66.7)	14 (13.0)	1 (0.9)	2 (1.9)	108 (100)
Total	151 (19.9)	505 (66.4)	81 (10.7)	16 (2.1)	7 (0.9)	760 (100)

Table 5.66: Outlet wise customer's satisfaction of the technology services

(b) City wise information

Name of the City	Highly Satisfied	Moderately satisfied	Neither /nor	Moderately Dissatisfied	Highly Dissatisfied	Total
Delhi	37 (19.7)	129 (68.6)	16 (8.5)	5 (2.7)	1 (0.5)	188 (100)
Hyderabad	42 (19.9)	128 (60.7)	34 (16.1)	5 (2.4)	2 (0.9)	211 (100)
Kolkata	33 (21.7)	104 (68.4)	11 (7.2)	1 (0.7)	3 (2.0)	152 (100)
Mumbai	39 (18.7)	144 (68.9)	20 (9.6)	5 (2.4)	1 (0.5)	209 (100)
Total	151 (19.9)	505 (66.4)	81 (10.7)	16 (2.1)	7 (0.9)	760 (100)

Table 5.67: City wise customer's satisfaction of technology services

The above tables (5.66 & 5.67) show that 66.40% of respondents from all locations are 'Moderately Satisfied' with the technological services. 19.90% customers are 'Highly Satisfied' on the other hand only 1% respondents are 'Highly Dissatisfied' and 2% of respondents are 'moderately dissatisfied'. The above values are same to outlet wise transaction as well as city. It says that around 86% of customers are satisfied with technology provided by the outlets in four selected cities.

5.4.1.2. Receive information about the Product/Price:

Name of the Outlet	Yes	No	Total
Lifestyle	100 (50.5)	98 (49.5)	198 (100)
Pantaloon	106 (50.2)	105 (49.8)	211 (100)
Shoppers Stop	166 (68.3)	77 (31.7)	243 (100)
Westside	62 (57.4)	46 (42.6)	108 (100)
Total	434 (57.1)	326 (42.9)	760 (100)

Table 5.68: Product/Price Information from the stores

In general, companies send information about "new product arrivals, new prices, offers, discounts etc" to their membership card holders through SMS's, e-mails, phone calls etc, to the customers. In this study, 414 membership customers were

questioned. Remaining 20 out of 434 customers are not membership card holders but they are registered with companies through online. The table 5.68 shows the importance of products/prices information shared by the outlets. Among the 760 respondents 57.1% agreed on products/prices information sharing by the outlets. From the four malls the Shoppers Stop shared maximum information on products/prices with their customers. The position of the Lifestyle outlet and Pantaloon outlet is approximately similar (50%). Whereas, Westside is ahead of rest of the three outlets in sending the product/price information to the customers.

5.4.1.3. Information channels

Name of the Outlet	SMS	Emails	Phone Calls	Mobile/ Email etc.	Mobile/ Email	Total
Lifestyle	66 (62.9)	16 (15.2)	3 (2.9)	10 (9.5)	10 (9.5)	105 (100)
Pantaloon	51 (47.7)	15 (14.0)	4 (3.7)	16 (15.0)	21 (19.6)	107 (100)
Shoppers Stop	91 (55.8)	28 (17.2)	9 (5.5)	16 (9.8)	19 (11.7)	163 (100)
Westside	32 (54.2)	9 (15.3)	4 (6.8)	7 (11.9)	7 (11.9)	59 (100)
Total	240 (55.3)	68 (15.7)	20 (4.6)	49 (11.3)	57 (13.1)	434 (100)

Table 5.69: Retailers communication channels

Communication is very important activity for any business. Retailers communicate their business information like latest events in outlet to customer through different communication channels. Usually retailers send information to customer by weekly an SMS and an e-mail. The table 5.69 provides information on the most preferred way of communication adopted by the malls to share information with their customers.

The maximum numbers of respondents are from Shoppers Stop and Pantaloon. Out of total 434 respondents, 55.3% respondents are communicated through SMS services and only 4.6% are communicated through Phone calls. Lifestyle used maximum SMS services to communicate to their customers. E-mail is the second most preferred mode of communication by the listed malls in Delhi, Hyderabad, Kolkata, and Mumbai. Companies get almost 30% sales growths through this method.

5.4.1.4. Use of received information of product/price

Name of the Outlet	Yes	No	Total
Lifestyle	83 (79.0)	22 (21.0)	105 (100)
Pantaloon	92 (86.0)	15 (14.0)	107 (100)
Shoppers Stop	142 (87.1)	21 (12.9)	163 (100)
Westside	48 (81.4)	11 (18.6)	59 (100)
Total	365 (84.1)	69 (15.9)	434 (100)

Table 5.70: Usefulness of information from the store

The table 5.70 infers that majority of the 434 respondents found the shared products/prices information by the malls is very useful. Pantaloon and Shoppers Stop customers reacted as highly useful information by 86.0% and 87.1% respectively. So, the technology aids are highly useful to customers as well as companies. It is one of the methods to create long term relationship with customers. Through this method companies are promoting products to their membership card holders. It is the easiest and latest technique for every retail organization.

5.4.1.5. Types of information of the retailers

Name of Outlet	New arrivals	Latest price	offers	Scheme	All type of information	Total
Lifestyle	22 (21.0)	19 (18.1)	25 (23.8)	6 (5.7)	33 (31.4)	105 (100)
Pantaloon	19 (17.8)	11 (10.3)	31 (29.0)	6 (5.6)	40 (37.3)	107 (100)
Shoppers Stop	46 (28.2)	38 (23.3)	31 (19.0)	6 (3.7)	42 (25.8)	163 (100)
Westside	14 (23.7)	5 (8.5)	16 (27.1)	1 (1.7)	24 (39.0)	59 (100)
Total	101 (23.3)	73 (16.8)	103 (23.7)	19 (4.4)	138 (31.8)	434 (100)

Table 5.71: Types of information of the retailers

Companies send information to membership customers about their new programs, arrivals, schemes etc. The table 5.71 shows the kinds of information shared by Lifestyle, Pantaloon, Shoppers Stop, and Westside to their customers. From the total

434 respondents 31.8% customers receive updates on all types of information. Westside mall sends 37.3% information about the new arrivals/latest price to the customers. Shoppers Stop sends new arrivals information which shares 28.2% of total 101 respondents. Out of 103 respondents, 23.3% reported information about latest price by Shoppers Stop is helpful. Pantaloon and Westside stores are communicating maximum information with customers. Almost all companies are providing equal information services to the customer.

5.4.1.6. Wishes and Greetings

Name of the Outlet	Yes	No	Total
Lifestyle	77 (43.5)	100 (56.5)	177 (100)
Pantaloon	81 (44.8)	100 (55.2)	181 (100)
Shoppers Stop	127 (57.0)	96 (43.0)	223 (100)
Westside	54 (52.4)	49 (47.6)	103 (100)
Total	339 (49.6)	345 (50.4)	684 (100)

Table 5.72: Receive Greetings/Wishes from the stores

The above table 5.72 shows the frequency of receiving Wishes/Greetings by customers from the four mentioned outlets. Companies sends greetings/wishes on customer's birthday, festivals etc. It is an emotional kind of technique to build relationship with customers. The frequency of receiving and not receiving the Wishes/Greetings from the mall outlets is almost 50% for both variables. Out of 177 respondents from Lifestyle mall 43.5% percent reported Yes'' and 56.5% reported No on receiving Wishes/Greetings from the outlet.

The respondents from Pantaloon reported 55.2% No and 44.8% Yes out of 181 respondents on receiving Wishes/Greetings. Shoppers Stop recorded maximum 57.0% Yes out of 223 respondents. It is maximum among all the four studied malls. Westside respondents reported 52.4% for Yes and 47.6% for No receiving and not receiving Wishes/Greetings respectively.

5.4.1.7. Results of Wishes/Greetings

Name of the Outlet	Yes	No	Total
Lifestyle	47 (62.7)	28 (37.3)	75 (100)
Pantaloon	51 (62.2)	31 (37.8)	82 (100)
Shoppers Stop	86 (67.7)	41 (32.3)	127 (100)
Westside	44 (80.0)	11 (20.0)	55 (100)
Total	228 (67.3)	111 (32.7)	339 (100)

Table 5.73: Effectiveness of received Greeting/Wishes from the stores

Above table 5.73 represents the level of loyalty creation through Wishes/Greetings send by the respective malls. Out of 339 who receive greetings/wishes from the outlet, 67.3% reported Yes and 32.7% reported No. Lifestyle respondents recorded 62.7% and 37.3%, Yes and No respectively.

Pantaloon respondents recorded 62.2% and 37.8%, Yes and No respectively. On the other hand, Shoppers Stop and Westside reported maximum 67.7% and 80.0% for Yes and No respectively. Totally all the companies are benefiteres in this strategy. Shoppers Stop and Westside are little ahead to Lifestyle and Pantaloons.

5.4.1.8. Customer online shopping transaction

Name of Outlet	Yes	No	Total
Lifestyle	26 (13.1)	172 (86.9)	198 (100)
Pantaloon	27 (12.8)	184 (87.2)	211 (100)
Shoppers Stop	30 (12.3)	213 (87.7)	243 (100)
Westside	9 (8.3)	99 (91.7)	108 (100)
Total	92 (12.1)	668 (87.9)	760 (100)

Table 5.74: Customer online shopping details

Above table 5.74 shows the online/web/internet purchase trend of respondents on buying the items from the above mentioned malls. Majority of the respondents i.e., 87.9% out of 760 recorded 'No' on purchasing any item through online/web/internet.

86.9%, 87.2%, 87.7%, and 91.7% gave their response as 'No' to purchase any item through online from the websites of Lifestyle, Pantaloon, Shoppes Stop, and Westside respectively. 13.1%, 12.8%, 12.3%, and 8.3% recorded Yes to buy online at Lifestyle, Pantaloon, Shoppers Stop, and Westside respectively. It concludes that though Indian customers are aware of IT and IT related transactions, but they do not prefer much for online shopping. Generally Indian customers are more attached to family, they like to outlet with their family and they like feel touch of the product.

5.4.1.9. Customer online shopping experience

Name of the Outlet	1-6 Months	6-12 Months	12-24 Months	More than 24 Months	Total
Lifestyle	13 (50.0)	5 (19.2)	3 (11.5)	5 (19.2)	26 (100)
Pantaloon	9 (33.3)	11 (40.7)	4 (14.8)	3 (11.1)	27 (100)
Shoppers Stop	8 (26.7)	12 (40.0)	6 (20.0)	4 (13.3)	30 (100)
Westside	5 (55.6)	3 (33.3)	1 (11.1)	0 (0.0)	9 (100)
Total	35 (38.0)	31 (33.7)	14 (15.2)	12 (13.0)	92 (100)

Table 5.75: Customer online shopping experience

The table 5.75 has recorded the period of using web shopping for surveyed outlets by the respondents. Maximum number of respondents i.e., 38.0% has started web shopping from period of 1 to 6 months. Out of 26, 50% respondents recorded 1 to 6 months web using period at Lifestyle outlet.

At Pantaloon outlet and Shoppers Stop outlet 40.7% and 40.0% respectively recorded usage of web shopping from period of 6 to 12 months. The number of respondents using web shopping from more than 24 months is 13.0%. Finally customer web shopping experience is very less for all the outlets.

5.4.1.10. Customer opinion of Web shopping

Delhi:

Name of the Outlet	Very good	Good	Bad	Very bad	Total
Lifestyle	2 (16.7)	9 (75.0)	1 (8.3)	0 (0.00)	12 (100)
Pantaloon	0 (0.0)	4 (57.1)	1 (14.3)	2 (28.6)	7 (100)
Shoppers Stop	0 (0.0)	8 (100)	0 (0.0)	0 (0.0)	8 (100)
Westside	1 (33.3)	2 (66.7)	0 (0.0)	0 (0.0)	3 (100)
Total	3 (10.0)	23 (76.7)	2 (6.7)	2 (6.7)	30 (100)

Table 5.76: Delhi customer opinion on online shopping

Hyderabad:

Name of the Outlet	Very good	Good	Bad	Very bad	Total
Lifestyle	4 (36.4)	5 (45.5)	2 (18.2)	0 (0.0)	11 (100)
Pantaloon	2 (20.0)	7 (70.0)	1 (10.0)	0 (0.0)	10 (100)
Shoppers Stop	1 (33.3)	1 (33.3)	1 (33.3)	0 (0.0)	3 (100)
Westside	0 (0.0)	2 (100)	0 (0.0)	0 (0.0)	2 (100)
Total	7 (26.9)	15 (57.7)	4 (15.4)	0 (0.0)	26 (100)

Table 5.77: Hyderabad customer opinion on online shopping

Kolkata:

Name of the Outlet	Very good	Good	Bad	Very bad	Total
Pantaloon	3 (60.0)	2 (40.0)	0 (0.0)	0 (0.0)	5 (100)
Shoppers Stop	0 (0.0)	8 (100)	0 (0.0)	0 (0.0)	8 (100)
Westside	0 (0.0)	2 (66.7)	1 (33.3)	0 (0.0)	3 (100)
Total	3 (18.8)	12 (75.0)	1 (6.3)	0 (0.0)	16 (100)

Table 5.78: Kolkata customer opinion on online shopping

Mumbai:

Name of the Outlet	Very good	Good	Bad	Very bad	Total
Lifestyle	1 (33.3)	2 (66.7)	0 (0.0)	0 (0.0)	3 (100)
Pantaloon	2 (40.0)	2 (40.0)	1 (20.0)	0 (0.0)	5 (100)
Shoppers Stop	2 (18.2)	9 (81.8)	0 (0.0)	0 (0.0)	11 (100)
Westside	0 (0.0)	1 (100.0)	0 (0.0)	0 (0.0)	1 (100)
Total	5 (25.0)	14 (70.0)	1 (5.0)	0 (0.0)	20 (100)

Table 5.79: Mumbai customer opinion on online shopping

The tables above (5.66, 5.67, 5.68 and 5.69) show the overall experience of the respondents with the web/online/internet shopping at Lifestyle, Pantaloon, Shoppers Stop, and Westside malls at four locations Delhi, Hyderabad, Kolkata, and Mumbai. The total number of respondents from the four different locations Delhi, Hyderabad, Kolkata, and Mumbai are 30, 26, 16, and 20 respectively.

76.7% respondents from Delhi have recorded their online experience as good at all four surveyed malls. Only 6.7% respondents reported their experiences as bad and very bad. 57.4% of the respondents from Hyderabad have recorded their online experience as good at all four surveyed malls. Only 15.4% respondents reported their experiences as bad and 26.9% reported their experiences as very good, and none of the respondents expressed very bad from Hyderabad city.

75.0% of the respondents from Kolkata have recorded their online experience as good at all three surveyed outlets. In Kolkata, Lifestyle outlets are not yet available. So, survey has not been done. Only 6.3% respondents reported their experiences as bad and 18.8% reported their experiences as very good.

70.0% of the respondents from Mumbai have recorded their online experience as good at all four surveyed outlets. Only 5.0% respondents reported their experiences as bad and 25.0% reported their experiences as very good.

On the whole, from all four cities of the four outlets customers responded that above 90% who are using online shopping expressed online shopping experience is Good and Very good.

5.4.1.11. Customer opinion on online money transaction

Name of the Outlet	Strongly agree	Moderately agree	neither/nor	Moderately disagree	Strongly Disagree	Total
Delhi	10 (6.4)	95 (60.5)	28 (17.8)	17 (10.8)	7 (4.5)	157 (100)
Hyderabad	19 (13.1)	62 (42.8)	45 (31.0)	8 (5.5)	11 (7.6)	145 (100)
Kolkata	3 (3.1)	56 (57.1)	25 (25.5)	10 (10.2)	4 (4.1)	98 (100)
Mumbai	4 (3.1)	64 (49.6)	36 (27.9)	20 (15.5)	5 (3.9)	129 (100)
Total	36 (6.8)	277 (52.4)	134 (25.3)	55 (10.4)	27 (5.1)	529 (100)

Table 5.80: Customer opinion on online money transaction

In table 5.80 presents the safety of the web shopping money transaction is recorded at four different locations (Delhi, Hyderabad, Kolkata, and Mumbai) and four different outlets - Lifestyle, Pantaloon, Shoppers Stop, and Westside. Majority of the respondents moderately agree that web shopping money transaction is safe. At the same time a majority of the respondents did not comment.

At Delhi out of 95 respondents, 60.5% recorded moderately agree on the safety of online money transactions. It is strange that around 17.8% did not comment on the safe online transactions.

At Hyderabad out of 145 respondents, 42.8% recorded moderately agree on the safety of online money transactions. It is more surprising than Delhi respondents that around 31.0% did not comment on the safety of online transactions.

At Kolkata out of 98 respondents, 56.0% recorded moderately agree and 25.0% did not comment on the safety of online money transactions.

At Mumbai out of 129 respondents, 49.6% recorded moderately agree on the safety of online money transactions. Same like Delhi and Hyderabad respondents around 27.9% did not comment on the safety of online transactions. According to the above table data, from all four selected cities, majority of customers' express online money transaction as safe. So retailers can promote it for their online shopping transactions.

The study is concluded that technology is important for every retailer. All retailers are using similar kind of technology tools for their sales transactions and also all customers express their satisfaction towards technology services provided by the four stores. So the hypothesis “**An Information Technology (IT) infrastructure in retail business influences maintaining good relationship with customers**” is acceptable.

CHAPTER – 6

MODELS OF CUSTOMER RELATIONSHIP MANAGEMENT

6. MODELS OF CUSTOMER RELATIONSHIP MANAGEMEN

The current chapter discusses different models of CRM implementation in business establishments like retail, health care, tourism, hospitality, services etc. Several models for CRM are in vogue and this chapter, and coming from these, intends to bring forth a contemporary model for organized retailing industry in India.

6.1. MENDOZA CRM CRITICAL SUCCESS FACTORS

Mendoza et al. (2006) have proposed, justified and validated a model based on critical success factors (CSFs) for implementation and diagnosis of CRM strategy. Their model is confirmed by a set of 13 CSFs with their 55 corresponding metrics, which serves as a guide for organizations wishing to apply CRM strategy. These factors cover the three key aspects of every CRM strategy; human factor (people), processes, and technology.

	CSFs	People	Process	Technology
1	Senior management commitment	X		
2	Creation of a multidisciplinary team	X	X	
3	Objectives definition	X		
4	Inter-departmental integration	X	X	
5	Communication of the CRM strategy to the staff	X	X	
6	Staff commitment	X		
7	Customer information management			X
8	Customer service		X	X
9	Sales automation		X	X
10	Marketing automation		X	X
11	Support for operational management	X	X	X
12	Customer's contact management	X		X
13	Information systems integration			X

Table 6.1: CRM Critical Success Factors (Mendoza, 2006)

Source: L.E. Mendoza et.al, 2006

In table 6.1, the equivalent factors are presented. These three key aspects give a universal focus and propitiating success in the implementation of a CRM strategy.

6.2. BOHLING CRM IMPLEMENTATION MODEL

Bohling et al. (2006) in their research, “CRM implementation; effectiveness and insight”, have proposed top management attitude toward CRM, alignment with key stakeholder's requirements, focus of CRM, CRM strategy, budget process management, change management and process change as critical success factors for CRM implementation.

They made a survey of the CRM implementation related experiences of 101 U.S.A. based companies and identified factors associated with successful CRM implementation. Successful implementation, they say, depends on a number of factors such as fit between a firm's CRM strategy and programs and its broader marketing strategy. Furthermore, they proposed a framework for a CRM initiative implementation which involved making CRM a business case together with measuring the implementation continuously and setting clear business objectives as necessary parts of their model. The following figure illustrates this phenomenon:

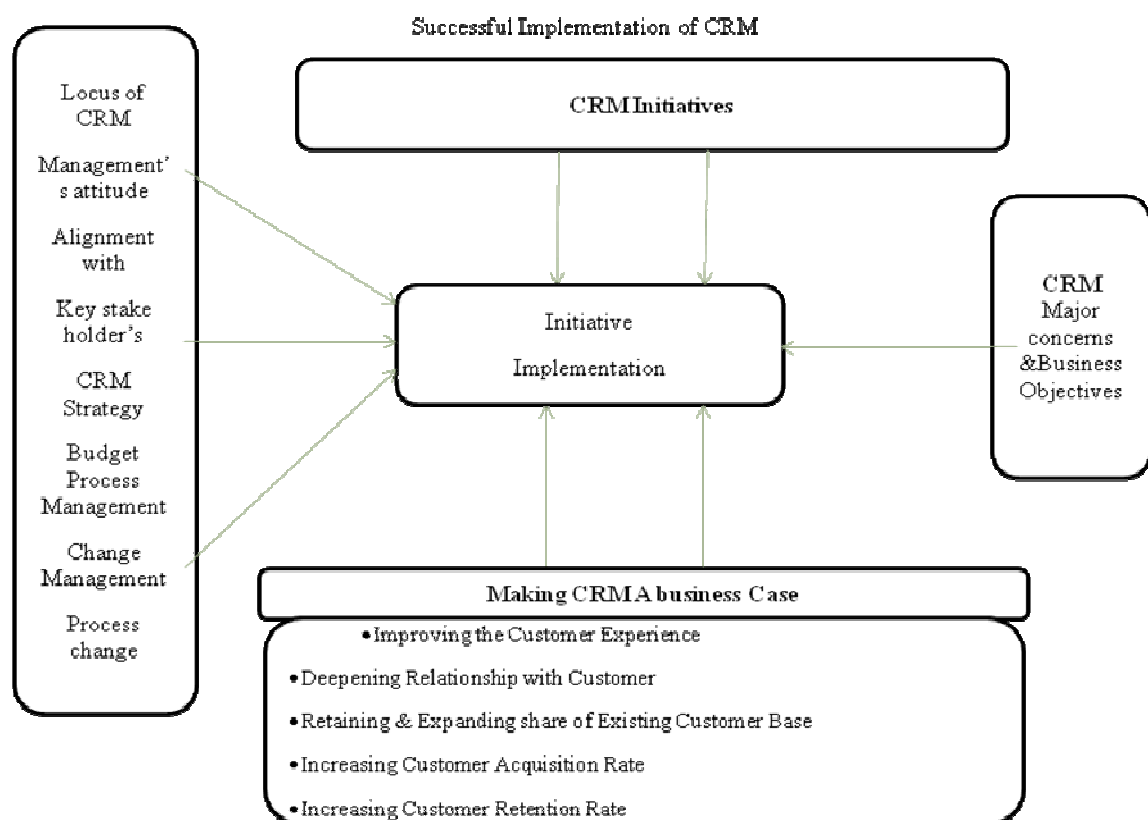


Figure 6.1: Bohling et al. (2006) CRM implementation model

6.3. ADAM LINDGREEN'S CRM KEY ELEMENTS

Adam Lindgreen et al. (2006) have proposed a model to assess critical aspects of CRM between an organization and its business customers (Adam Lindgreen et al. 2006). He presented a detailed and applied analysis of relationships and their development and management. According to Lindgreen research, ten critical aspects of CRM are (see Figure 2-2) people, culture, relationship management process, knowledge management, information technology, organization, brand strategy, customer strategy, customer interaction strategy and value creation strategy.

Lindgreen (2004) researched in a case study the design, implementation and monitoring of a CRM programme on the largest publisher of business-related materials in Scandinavia. The case illustrates the good points of the project, it made the importance of CRM visible to everyone within the organization, that problems can be created because of the lack of financial resources or the managerial support and finally, they state that only after an external consulting firm was brought in, the publisher succeeded in implementing the project.

Based on the mentioned three models and the concepts explained in the literature, the CRM critical success factors are categorized into the following main groups:

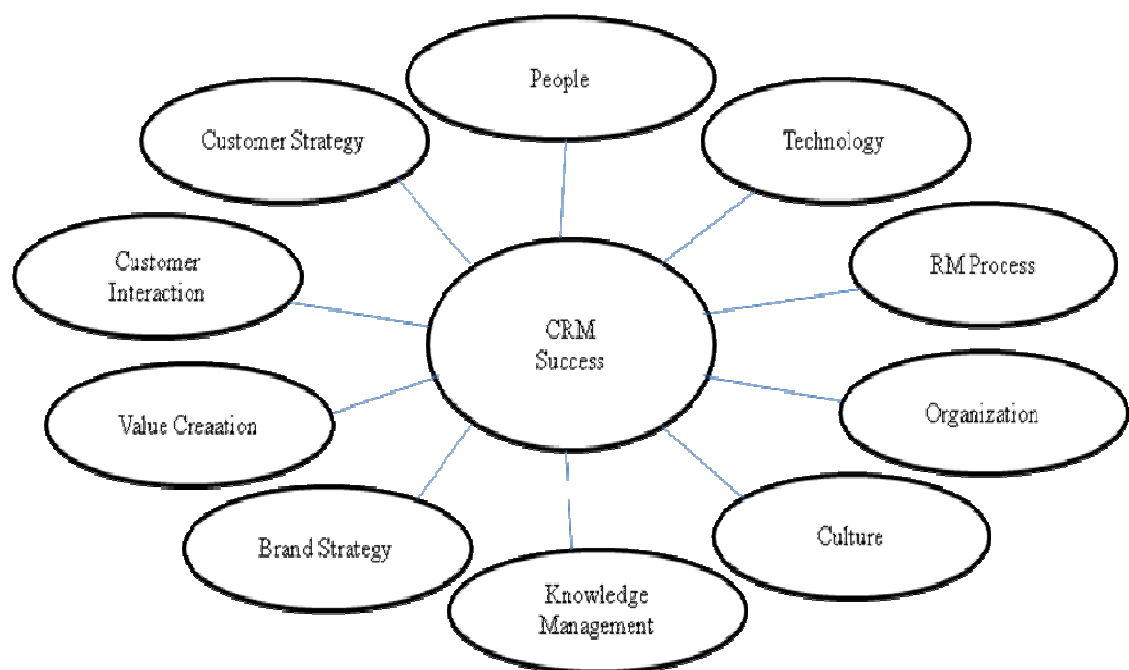


Figure 6.2: Lindgreen et al. (2006) CRM key elements

6.3.1. People

A critical aspect in marketing thought is the importance of people (Peck et al., 1999). Finding capable people and retaining them in the right place is the key to organizational effectiveness (Greenberg, 2001). Engaged employees have a significant influence on customer retention.

Establishing robust relationships with customers is determined by the way employees make the customers feel (Doyle, 2000). People are those who manage business issues, communicate throughout the organization, and build relationships with customers (Christopher et al. 1991; cited by Lane, 2001 Christopher et al. 1991; cited by Lindgreen et al. 2006). "To achieve desired business performance, the organization must have knowledgeable, skillful and motivated employees. Employees should have a knack for market sensing and an ability to understand customers. Also, they must be able to gain their customers' trust and respect" (Lindgreen et al. 2006). The employees' customer-focus behaviour must be reinforced by performance appraisal and rewarding (Clark & Payne, 1995; Woodcock et al. 2003 Christopher et al. 1991; cited by Lindgreen et al. 2006). Highly motivated people can provide customers with more value and better services, which lead to customer satisfaction and loyalty.

6.3.2. Culture

Culture could be the most important element in effectively managing the implementation of a relationship-management strategy (Rigby et al. 2002; cited by Lindgreen et al. 2006). "To meet customer expectations, it is necessary to develop a culture that is customer oriented. A change in employee attitude to businesses is often inevitable. Customer orientation is a type of organizational culture and it makes organizations more responsive to customer needs" (Deshpande & Webster, 1989; cited by Lindgreen et al. 2006).

Relationship management needs a strategic shift from a product-focused culture towards a customer-focused culture (Christopher et al. 1991; Peck, 1995; Ryals & Knox, 2001; cited by Lindgreen et al. 2006).

Organizational culture is operationalized as "the pattern of shared values and beliefs that help individuals understand organizational functioning and thus provide them

with the norms for behaviour’’ (Deshpande & Webster, 1989; cited by Lindgreen et al. 2006). Customer-oriented culture positively affects customer satisfaction (Conrad, Brown, & Harmon, 1997; Deshpande & Webster, 1989; cited by Lindgreen et al. 2006).

6.3.3. Organization

Organization is one of the key aspects necessary for the success of CRM (Brown & Gulycz, 2002). Providing customers with value-added propositions requires gathering, coordinating, and analyzing accurate data on customers as well as developing marketing strategies that personalize the relationship (Sheth et al., 2000; cited by Lindgreen et al. 2006).

This again will require well-defined policies, processes and procedures. Cross-functional collaborations can be utilized to create enthusiasm, accelerate processes. Like establishing multi-customer touch points within the organization e.g. in finance, logistics, and information-technology departments, and facilitating implementation of these activities (Lindgreen et al, 2006). This calls for a high degree of collaboration within the organization (Peck et al. (1999); Ryals & Knox (2001); cited by Lindgreen et al. 2006), and smooth and seamless communication among customer-facing employees and those involved in back office (Foss & Stone, 2001).

6.3.4. Knowledge management and learning

Managing knowledge across business processes is the key to organizations' long-term growth and success (Bose & Sugumaran, 2003; cited by Lindgreen et al. 2006). “True relationship management is said only to be possible when knowledge management is integrated, with data being transformed into knowledge, and with the implied knowledge being transformed into explicit knowledge” (Bose & Sugumaran, 2003; cited by Lindgreen et al. 2006). It is important for an organization to connect knowledge seekers to the knowledge providers in such a way that the exchange of knowledge is motivated (Zikmund et al., 2003; cited by Lindgreen et al. 2006). The availability of appropriate knowledge is an essential component for the development of strategies, goods, and services in response to fast-changing business environment (Ballantyne, 2000; cited by Lindgreen et al. 2006). Knowledge management implies

the facilitation of knowledge creation, knowledge sharing, and knowledge application processes (Grotenhuis & Weggeman, 2002; cited by Lindgreen et al. 2006).

6.3.5. Top management championship and attitude

Ryals & Knox (2001) point out that top-management buy-in is necessary to put into practice new technologies and to assure about achievement of desired benefits. Managing customer relationship effectively requires commitment and participation on the part of those in high management positions (Chen & Popovich, 2003; Braganza & Myers, 1996).

“It is the role of top managers to sell and to convince those under their supervision, of the benefits and outcomes of the CRM strategy” (Mendoza et al., 2006). They must become the main promoters of CRM, and must disclose the motivation and commitment to all other areas of the organization.

6.3.6. Change Management

Shifting to a customer-oriented culture usually calls for changing the way in which employees had executed things at this point. It may also call for using different tools from the ones to which they are accustomed. Peppers & Rogers (1997) suggest that managing change is a critical factor for successful implementation of CRM. Because of complexities involves in application of CRM, change in culture within the organization staff and switching from a product-oriented culture to a customer-oriented one is necessary, and requires a change in attitude and culture within the organization (Galbreath & Rogers, 1999).

6.3.7. Relationship Management Process

Monitoring CRM processes like complaint management or customer support is a key activity to hold organization's effectiveness and to improve and update processed (Goldenberg, 2002). Processes should be built, mapped, and standardized to realize process improvements (Brown & Gulycz, 2002; Woodcock et al. 2003; cited by Lindgreen et al. 2006). Organizations must set measurable, clear, specific relationship-marketing objectives, and key performance indicators (e.g., retention rate, increased sales, customer profitability, and customer satisfaction) with a strong focus on customer satisfaction (Pine, et al. 1993; cited by Lindgreen et al. 2006).

Business processes can be considered the “strands of activity that link the operations of an organization to the requirements of its customers” (IMI, 1994). It is the way in which all the resources of an organization are used in a reliable, repeatable and consistent way to achieve its goals (Zairi, 1997).

6.3.8. CRM Strategies

(Lindgreen et al, 2006) stated that CRM strategy is about providing different customers with different propositions that are on the basis of lifetime value of each customer or customer group. A CRM strategy consists of customer strategy, value creation strategy, brand strategy and customer interaction strategy.

6.3.9. Customer strategy

“A customer strategy focuses on how to attract new customers and how to maintain and develop relationships with existing valuable customers” (Christopher, et al. 1991; Jackson 1985); cited by Lindgreen et al. 2006). Building trust and commitment, a customer strategy aims at increasing the organization’s profitability (Grönroos, 2000; Morgan & Hunt, 1994; cited by Lindgreen et al. 2006). “Managing relationships requires that the most profitable customers are identified” (Kenyon & Vakola, 2001; cited by Lindgreen et al. 2006). Segmentation analysis are performed based on lifetime-value of customers for which qualitative or quantitative objectives are assumed (Ryals & Knox, 2001; Zikmund et al., 2003). “The lifetime-value is a prediction of the net present value of future benefits from a particular customer minus the cost of servicing the account or managing the relationship” (Dwyer & Tanner, 2002; cited by Lindgreen et al. 2006). To accomplish the objectives set by the program, segment-specific initiatives have to be designed and must be carried out for each customer in a customized manner.

6.3.10. Customer interaction strategy

Customer interaction refers to the way an organization interacts with its clients and fulfills those (Brown & Gulycz, 2002; cited by Lindgreen et al. 2006). It is necessary to well arrange and customize all interactions during the customer lifecycle through all touch points. It means that interaction with low value customers should take place through low-cost channels. Also, all functions, departments and levels in the organization should be well arranged and managed in their interaction with customers

(Ford, 1980; cited by Lindgreen et al. 2006) can be delivered to customers via customization. Ever since the organization has identified the customers with whom it wants to build a long lasting relationship, it can interact with them in a number of different ways.

6.3.11. Value creation strategy

Any strategy should emphasize on bringing value for both the organization and its stakeholders (Hamel & Prahalad, 1994; Wilson, Daniel, & McDonald, 2002; cited by Lindgreen et al. 2006). A well-defined value-creation strategy proposes prominent value to individual customers as well as maximizes profitability from each relationship (Lindgreen 2006). Delivering superior value to customers will enhance the organization's competitive advantage that is hard to imitate for competitors (Day & Wensley, 1988; Doyle, 2000; Kothandaraman & Wilson, 2001; cited by Lindgreen et al. 2006). The main reason of the essence of these relationships is value creation which is crucial for defining marketing strategies (Anderson & Narus, 1999; cited by Lindgreen et al. 2006).

6.3.12. Information Technology (IT)

Dewhurst et al. (1999) proposes that when companies have large amounts of customer data, they can manage customer relationships more effectively and efficiently, using data warehousing, data mining, and other information technologies, so more value can be delivered to customers via customization. Furthermore, IT facilitates the different customer processes (Clark & Smith, 2003; Gummesson, 2002; Ryals & Knox, 2001; cited by Lindgreen et al. 2006). It is necessary to spend more effort on integrating the acquired knowledge in the core processes (Peppers & Rogers, 1997; cited by Lindgreen et al. 2006). To uphold these processes a well-organized IT infrastructure and architecture is required to communicate effectively through the whole organization (Zikmund et al., 2003; cited by Lindgreen et al. 2006). An unavoidable outcome of most CRM strategies is the need to collect more data and then extract more information and insights from that data. For an organization to shift to a customer centric strategy, it must plan for more data and greater integration of that data - from both its front-office (e.g. call centers and other customer-facing applications) and back-office (accounting, order process, logistics and fulfillment, for example) (Reynolds 2002).

6.4. METRICS OF CRM EFFECTIVENESS: KIM'S MODEL

Kim, Suh & Hwang (2003) offer an application framework for evaluating CRM effectiveness. Each perspective of this framework is evaluated by a set of related metrics. Kim et al. (2003) believe that performance measurement is so powerful in enhancing business performance because; measurement removes the vagueness and disagreement that exist around high-level strategic concepts. Measurement provides the clear language for precise communication at all levels. Measurement allows organizational alignment on strategic objectives and thus facilitates as well as accelerates the speed and pace at which change occurs. The four perspectives include customer knowledge, customer interaction, customer value, and customer satisfaction.

6.5. BOHLING'S MEASURES FOR CRM SUCCESS

Bohling et al. (2006) in their study about CRM critical success factors proposed a number of criteria that firms could use to evaluate the success of a CRM initiative. These criteria are dispersed in three groups:

- Project-focused criteria such as compliance of the system with specifications
- Internally oriented metrics such as adoption by employees, proven efficiency gains
- Externally oriented metrics such as impact on customer retention or loyalty.

Based on Bohling et al. (2006) in the respondents' rating of the importance (1 = not important, 4 = very important) of seven criteria that could be used to assess the success of CRM initiatives, externally oriented criteria dominated. He has developed a top box score. Based on top-box score, he proposed some important variables which are given below:

- Proven customer impact in terms of retention and satisfaction
- Quantifiable revenue growth
- Improved information and insights
- Quantifiable cost reduction
- Improved employee productivity
- Usage by employees
- Compliance to specifications

6.6. WANG MEASURES FOR CRM SUCCESS

Wang and Lo (2004) proposed a framework to measure CRM effectiveness. Their model evaluates CRM performance from two perspectives. The first measures aspects related to customer behaviour. It is believed that CRM performance should be measured ultimately in terms of customer behaviours since they are the underlying sources of value of current customers of a firm and have the potential to increase the future revenue streams associated with them and those prospective customers. Here are customer behaviour based measures.

- Repurchasing
- Word of mouth
- Cross and up selling
- Customer acquisition rate

Secondly, they proposed metrics to measure relationship quality. Besides customer behaviour-based measures defined and emphasized above, many researchers have emphasized the role of relationship quality as an intangible aspect of CRM performance, and dimensions such as satisfaction, commitment, and trust have been used to measure the complicated concept “relationship quality”. Here are measures for relationship quality:

- Brand loyalty
- Customer Satisfaction

6.7. MGUYEN, SHERIF AND NEWBY (2007) DIFFERENT STRATEGIES FOR SUCCESSFUL CRM IMPLEMENTATION.

Mguyen, Sherif and Newby (2007) discuss different strategies for successful CRM implementation. They suggest that the CRM implementation in consumer goods industry is a should-be-done step. This is because CRM is important for industries that have close contact with end customers but have lesser value to industries that are further away from the end customers.

Possible failures in implementing CRM are due to the lack of knowledge and research, lack of project management skills, lack of commitment from the executive management, etc. A Gartner research survey (Zimmer, 2006) found that more than half of the organizations who have implemented CRM have difficulties after

implementation. There are two principal reasons why CRM failed to fulfill the expectations is the disconnection of CRM vision and execution and the rising standard for CRM excellence.

Bull (2003) discusses problems of the CRM implementation on a case study in a UK manufacturing organization; some of the troubles were caused by the lack of knowledge pertaining to the concept of CRM, bad choice in sourcing CRM software, impossibility of integration with other companies' applications, the selection of the project team whose members were selected at random.

6.8. BUTTLE (2004) CRM IMPLEMENTATION MODEL

Buttle integrated many viewpoints about customer relationship management into the following definition of CRM:

CRM is the core business strategy that integrates internal processes and functions, and external networks, to create and deliver value to targeted customers at a profit. It is grounded on high-quality customer data and enabled by information technology (Buttle, 2004, p.39). Depending on this definition, Buttle produces his five-step process for developing and implementing CRM strategy. The model also identifies a number of supporting conditions that facilitate successful implementation.

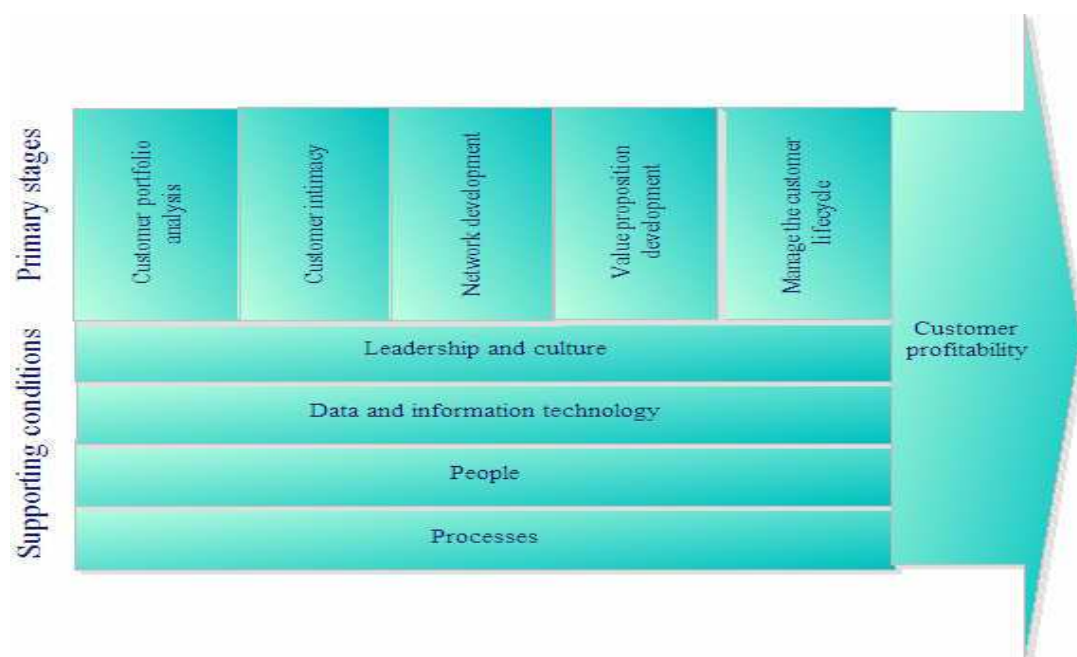


Figure6.3: Buttle's CRM Value Chain Model (2004, p. 40)

According to Buttle (2000), the CRM value chain (Figure 6.3) is a proven model which businesses can follow when developing and implementing their CRM strategies. This model has been five years in development and has been piloted in a number of business-to-business and business-to consumer settings, with both large companies and SMEs: IT, software, telecoms, financial services, retail, media, manufacturing and construction.

Buttle argues that the model is grounded on strong theoretical principles and the practical requirements of business. The change the researcher made to Buttle's model was to introduce more supporting conditions. In the researcher's proposed model there are five supporting conditions:

- Service quality
- Senior management support and leadership (leadership and culture)
- Information technology (data and information technology)
- People
- Knowledge management

6.9. PEPPERS, ROGERS & DORF (1999) IMPLEMENTATION OF CRM STRATEGY

Successful implementation requires specific actions on the part of the organization. The implementation of a CRM strategy as proposed by Peppers, Rogers & Dorf (1999) comprises four steps, namely the identification of customers, the differentiation of service, interaction with customers and the differentiation among customers.

Step 1: The identification of customers

The identification of customers enables the organizations to select those customers that they regard as being strategically significant and who they believe can contribute to the success of the organization. These customers have unique needs and due to their value to the organization, will have products developed to meet these needs. It must be possible to identify these customers and so obtain as much detail as possible. This involves collecting as much data as possible in order to obtain as clear a picture as possible of the customer and their profile. This may require the development of a database or the continued maintenance of a database in order to ensure that the data

stays as recent as possible. Having this information enables the organization to determine those customers that have been with the organization for a long period and those that have recently started using the products and services of the organization.

Step 2: The differentiation of service

The differentiation of service implies that different customers receive a different level of service and a different product from the organization, depending on the value to the organization and their specific needs. This requires the organization to identify the top (or most significant) customers and adapt service accordingly. Identification of these top customers takes place using sales figures or by calculating the CLV associated with each customer. As the organization is aware of the value of their customers, service levels can be adjusted accordingly.

Step 3: Interaction with customers

This step refers to the importance of interacting with the customer in relationship building efforts through a variety of communication tools and technologies. This is necessary as the relationship can only develop and be sustained if there is communication with the customers regarding their needs, perceptions and desires. This involves developing methods of communication proactively with customers regarding the organization's products and attempting to initiate dialogue with customers. Use can be made of technology, but this is not essential (Brunjes & Roderick, 2002). The customers with whom communication takes place are not necessarily all the customers, but only those that the organization regards as being strategically significant. This interaction with the organization increases the expectations of the customers regarding the service received as well as the quality of the relationship.

Step 4: Customization of products, services and communication

Customization is carried out by the organization in order to ensure that customer needs are met. It requires that the organization adapts its product, service or communication in such a way as to have something unique for each customer. Communication can be customized to address the specific needs and profile the customer, and organization also makes use of personalization as part of this process. Products can be customized as to the specific desires that the customer has of the

organization. In the case of the financial services, it refers to the product package that is offered to the customer. The purpose of customization is to increase customer satisfaction, and the loyalty that is exhibited by customers.

6.10. RUTA et. al, THEORETICAL MODEL OF CRM IMPLEMENTATION

Referring to standpoints of many authors on the creation of the customer management system, and having analyzed the structure of CRM models presented by them, the following stages and elements of CRM model formation were chosen:

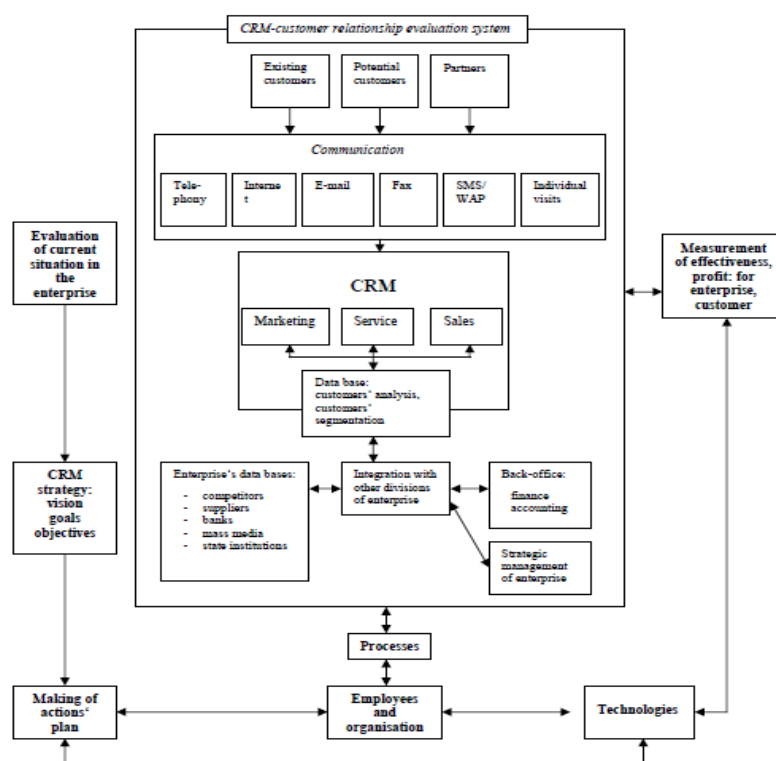


Figure 3. Theoretical model of CRM

Figure 6.4: Rute CRM model

a). CRM strategy and evaluation of current situation within an enterprise. Before starting the implementation works of CRM, the audit of current situation should be performed, i.e. skills of the work with customers, wrong decisions and failures, competitors, partners, customers are analyzed as well as enterprise's needs to establish CRM system are also identified. The CRM strategy is the basis for the creation and implementation of customer relationship system, thus this element in the model is seen behind the borders of the system but not eliminated.

b). Formation of CRM system: Customers, their segmentation. The task of each enterprise is qualitative cost-effectiveness and profitable service to customers. In order to attain the goal, it is necessary to pay more attention to such value - creating means related to customers' service as selling development, loyalty development, data collection, customers' segmentation, customers' service when the enterprise itself initiates it, etc. In this model, the customer element is primary and the most important.

c). Communication channels of interaction, Information sources and data base. In the model these elements are secondary, but they guarantee technological functioning of CRM, as well as they allow proper analysis of the information and formation of customers 'databases.

d). Employees and an organization itself. CRM projects often are of huge degree and most frequently cause reorganization of usual processes, the change of set goals and the way of customers' management. Having chosen CRM as strategic medium, it has to necessarily penetrate within a whole organization and remain in the focus of attention in any activity of an organization. Enterprise's employees also have to constantly give thought about how everyone should behave in order to improve relationship with customers. In the model these components of CRM creation are shown as guaranteeing systems' functioning where employees have to prepare the analysis of a situation to formulate strategy, action plans as well as to control systems' efficiency and efficacy.

e). Processes. It is necessary to determine how enterprise's processes should function and what factors can influence successful results of an enterprise. CRM project is carried out for a whole organization, thus it relates to a lot of current and new processes of an enterprise. Considering it also induces cultural changes, coordination to new circumstances, CRM project can be related to optimization of organization processes and management of change. It is necessary to integrate CRM system into other processes of an enterprise. In other words, CRM system will not be useful till it is not related to other main systems of an enterprise. If CRM system is not inserted into the entirety, it will soon become a closed island. In the model it is shown as the basis for the interaction of the most important elements.

f). Information technologies: IT is key to fast and easy accessibility of accumulated information, accessibility of information from geographically remote locations, optimization of work time use, decrease of negative impact of employee change. Considering these advantages, with a CRM system, the maintenance of relationships between a customer and service operator can be realized through a gamut of communication media. It could be post, email, phone calls, the Internet, individual visits or any upcoming technology. In the model IT related elements are very important both in terms of economics as well as in relationship marketing. Ultimately, fast and effective customer relationship management will depend on properly chosen technologies.

g). Investments and anticipated profit. Investments in CRM and future profit depend on a number of factors, which are determined by different circumstances related to an enterprise (among them figures the readiness of an enterprise to implement CRM). The size of investment in CRM depends on the following factors:

- Investments in IT software and hardware.
- Investments in a new role, the essence of which is CRM improvement and application, formation.
- Resources that will be necessary in managing changes (fixation project).
- Expenditure on consumer education over a new CRM system.
- Suppression of disturbances often occurring in an organization when implementing a project.
- Implementation of tasks of much broader scope and greater complicity than expected.

Coming to profit, it is rather difficult to carry out an objective analysis of expenditure and profit. As such profit is more qualitative than quantitative. However, only when real profit manifests can the dynamics of sales and distribution be better managed. By analyzing profit related data, the organization can focus more on “real customers”, employees can better understand customers, reports on sales and management are easier to prepare. Though the model does not overtly depict these elements, they are very much the output of the CRM system. From a management viewpoint, an effectively functioning system has to give rise to a clear profit picture that has both enterprise and customer relevance.

6.11. MICROSOFT DYNAMICS CRM VERSION 3.0: RETAIL CRM TECHNOLOGY

An excellent example of CRM technology is Microsoft Inc.'s CRM package for the Retail sector. Leading retail companies are increasingly realizing that deploying cutting-edge strategies are a must in today's marketplace. Retail CRM software solutions are a sure means of bridging the gap between strategic goals and real-world operations.

Several critical aspects of CRM emerge through the use of sophisticated technology.

Understanding customers better:

Gaining an insight into customer activity provides retailers with the information they need to effectively and profitably market to the appropriate customer segment.

K3 Retail CRM based on Microsoft Dynamics CRM Version 3.0., consisting of fully compatible and easy-to-integrate range of solutions, provides retailers with everything they need to increase their customer knowledge.

Building customer loyalty:

Contemporary customers are a highly selective lot and profit margins are tightening by the minute. Retailers are acutely aware of these phenomenon and sense the importance of enhancing their relationships with consumers as best as possible. CRM technology is a key means in realizing this objective.

K3's retail CRM solutions offer an effective approach to customer acquisition and retention:

- This powerful package of integral technology solutions allows you to target customers by capturing every interaction in one database. Transactional data can be collated from a number of sources including:
 - Proprietary payment tools and point-of-sale software.
 - Loyalty card data.
 - Warranty card information.
 - Web and email activity.
 - Customer services activity.

To summarize, Retail CRM platform technology from Microsoft's K3 promises a consistent competitive edge with a software solution package that sustains everyday processes and makes possible permanent business improvement.

6.12. STUDY OF COLLOQUY - LOYALTY PROGRAMS TO BOOST “WORD OF MOUTH”

There is a link between loyalty programs and the ability of one organization to buzz. That is the result of a Colloquy study which reveals, “Reward Program Members are 70% more likely to be Word-of-Mouth Champions than Non-Members”.

Here are the key results of that study:

- Reward program members are 70% more likely to be WOM champions (defined as customers who are “actively recommending” a product, service or brand) than the general population;
- 55% of reward program members are self-described WOM champions;
- Only 32% of non-reward program members are self-described WOM champions.
- 68% of WOM champions in reward programs will recommend a program sponsor’s brand within a year.
- Actively participating reward program members are over three times more likely to be WOM champions.
- Reward program members who have redeemed for experiential rewards are 30% more likely to be WOM champions than those who have redeemed for discounts.

6.13. MOSAD ZINELDIN - A 5QS MODEL: THE ROYALTY OF LOYALTY-CRM, QUALITY AND RETENTION

Mosad Zineldin, Professor in Economics, Strategic Relationship Management and Marketing, School of Management and Economics, Vaxjo University, Sweden, proposed a research model (5Qs) to measure satisfaction and loyalty, to examine and develop a better understanding between quality, CRM and customer loyalty which might lead to companies’ competitiveness. The study confirms that the impact of CRM on customer loyalty is real and so are the problems for certain organizations in terms of successful implementation. Satisfied customers are not always loyal customers, they can repeat orders and also buy from competitors in the future. The relative value of the product and services in respect of the price must be taken into account when assessing customer satisfaction. Organizations should move towards the application of customer value management, methodologies and tools. The

recapitulation of different definitions of CRM shows that there is no widely accepted definition of CRM, although it is an important business approach.

Today a competitive market position and a good reputation of an organization can quickly translate into market share and profit, but that distinction is often earned only through a philosophical commitment to service backed by diligent attention to what customers want and need (Zineldin and Bredenlo^w, 2001). In an era when intense competition is being greatly facilitated by technology, the need for providing adequate product/service quality will necessitate that companies have to focus attention on issues of improving, measuring and controlling their product/service quality (Sylvestro et al., 1990).

One way to measure quality is through customer complaints (Chapman et al., 1997) and customer survey. Quality measurement is of particular importance to be considered by all managers and marketers of high contact services including banking, retailing etc industries. The inputs or delivery system in a supplier is a combination of human resources, locations and equipment. An effective customer database allows a organization to better understand customer's needs – particularly their relationship needs – better than the competitors.

The customer database will also include data about the current and past attitude, state/trend of customers business, market shares, profitability, etc. The data about customer's needs, attitudes and behaviour enables companies to identify today's key customers, develop CRM with tomorrow's customers, and calculate the revenue the customer generates, and estimate own future investment opportunities.

Customer loyalty and the maintenance of the customer relationship are in fact dependent on how well a product and service measures up to the customer's original expectations of quality. While Gronroos (2000) divided the total quality of a product/service into technical quality and functional quality. Zineldin (2006) expended technical-functional quality models into framework of five quality dimensions (5Qs) which impacting the satisfaction and loyalty of a customer (5Qs):

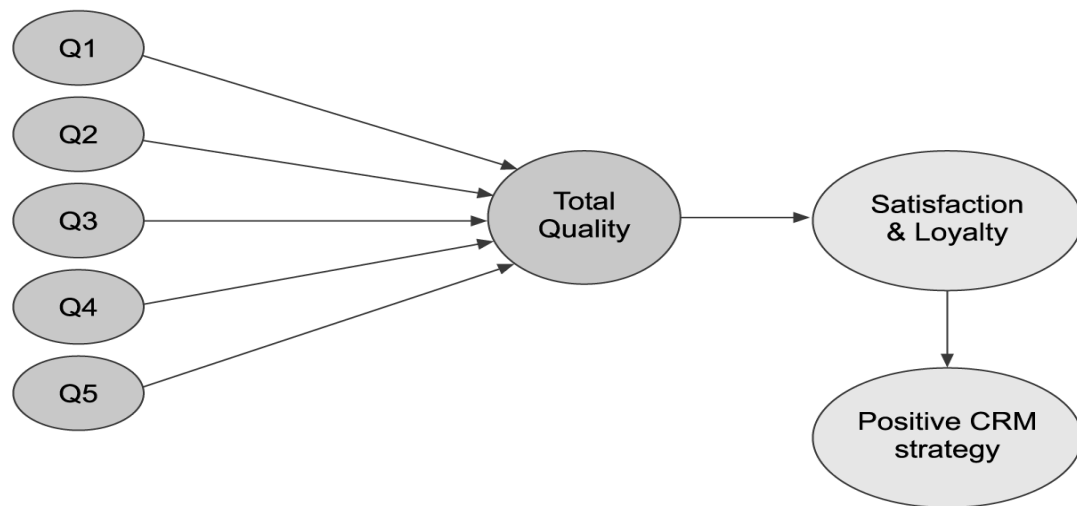


Figure 6.5.: Zineldin's 5Qs: a multidimensional model of quality attributes

Q1. Quality of object – the technical quality (what customer receives). It measures the core prodserv itself.

Q2. Quality of processes – the functional quality (how the prodserv provider provides the core prodserv (the technical). It can be used to pinpoint problems in service delivery and to suggest specific solutions.

Q3. Quality of infrastructure - Measures the basic resources which are needed to perform the prodserv services: the quality of the internal competence and skills, experience, know-how, technology, internal relationships, motivation, attitudes, internal resources and activities, and how these activities are managed, co-operated and co-ordinated.

Q4. Quality of interaction - Q4 measures the quality of information exchange, financial exchange and social exchange, etc.

Q5. Quality of atmosphere – the relationship and interaction process between the customer-organization are influenced by the quality of the atmosphere in a specific environment where they operate. The atmosphere indicators should be considered very critical and important because of the belief that lack of frankly and friendly atmosphere explains poor quality and less loyalty.

The 5Qs model is more comprehensive and incorporates essential and multi dimensional attributes for CRM which are missing in the other models. Such attributes are the infrastructure, atmosphere and the interaction.

CHAPTER - 7

FINDINGS, CONCLUSION & SUGGESTIONS

7. FINDINGS, CONCLUSION & SUGGESTIONS

7.1. DEMOGRAPHIC PROFILE FINDINGS

1. From a total of 760 respondents, 66.1 percent are of 18 - 30 years age, 25.3 percent are in the age group of 30 to 45 years. There are a few respondents from other age groups contributing to the rest of the percentage. The highest numbers of respondents fall in the age group 18 – 30. It clearly tells that most of the consumers who visit these organized retail stores regularly are youth. Their share in total is more than 65 percent.
2. Out of total 760 respondents, men constitute 72.5 percent and women are 27.5 percent. It shows the large percentage of respondents is men. Though women shoppers are moderately high, they did not respond enthusiastically.
3. Out of 760 respondents, 46.7 percent are graduates and 45.7 are post graduates. Majority customers who visit the outlets in the retail outlets/ mall tend to be middle to high income group and it could be a fair assumption that customers who are well educated tend to have higher disposable incomes.
4. Out of 760 respondents, the majority (52%) of the respondents are employed in the private sector i.e. software professional, bankers, academicians etc. Government employees are in the next position. The private sector employees account for 52.1 percent which is highest among all professions. Un-employed/house wife share is just 1.4 percent.
5. Customer income positions are divided into six groups. It includes customers with annual income as No income/Dependent, less than Rs 120,000, Rs 120,001- Rs 240,000, Rs 240,001- Rs 360,000, Rs 360,001-Rs 500,000 and greater than Rs 500,000 per annum. It is surprising that around 31.8 percent of respondents are from dependent/No income group, 21 percent of respondents belong from annual income group of more than Rs 500000 while the income group less than Rs1,20,000 is 1 percentage which is least. No income/Dependent income group respondents belong to high income group or rich families.

6. The cities chosen for the research are Delhi, Hyderabad, Kolkata, and Mumbai and the respondents share across these cities is 24.7%, 27.8%, 20 % and 27.5% respectively. The share, more or less is same at all the places. Mumbai stands first with 27.8% respondents and Kolkata takes last position with 20% respondents. Lifestyle stores do not exist in Kolkata city, hence data from this city could not be collected.
7. Out of total 760 respondents 32 percent of respondents are from Shoppers Stop which is the highest among the four stores followed by Pantaloon with 27.8 percent and Lifestyle with 26.1 percent. Westside stands last with 14%.

7.2. FINDINGS & SUGGESTIONS RELATED TO PRIMARY DATA ANALYSIS

- ❖ **Finding(F):** Personal awareness of the respondents about the organized stores is recorded more than 50% in all surveyed organized stores. In addition to Personal awareness, Friends/Relatives and advertisements are important sources of information for organized stores.

Suggestion(S): It shows the importance of media sources combined with individual/personal reach like SMS services, email, social networking websites etc. Stores need to concentrate on mass media advertisement to capture the growing middle market segment. All four stores should use TV and Radio channels to promote their stores. There should be proper advertisement at least in the local stations, bus stations and holding throughout the cities as to attract a large number of customers.

- ❖ **Finding:** Out of the respondents surveyed from four stores in four cities, the highest numbers of respondents (around 55% and 52%) has reported 1 to 3 and 0 to 1 years of experience with Stores.

Suggestion: A significant part of respondents (around 35%) were not the regular customers of the stores. Further research is advised to be done to understand their irregular purchasing behaviour.

- ❖ **Finding:** An average 55% of respondent visits the store around 1 to 6 times in a year. Majority of the Delhi customers visit the organized stores around 1 to 6

times or 6 to 12 times in a year. Majority of customers from Hyderabad, Kolkata and Mumbai visit 1 to 6 times to the organized store in a year. On an average once in every 45 days customers visit these stores.

Suggestion: Potential Delhi customers will visit more than 6 to 12 times in a year. Companies should bring out appropriate strategies to make customers visit frequently (at least once in a month). On an average the customer spends Rs1001-5000 per visit to the store. Stores need to make their pricing more strategic and attractive. Most of the families want to purchase from big showrooms and malls because there is no bargaining system and can be trustworthy.

- ❖ **Finding:** People are very busy in current competitive world. Most of them are not able to spend time for shopping. Whenever customers plan for shopping they prefer the stores/malls where all products and services are available. Most of the customers (60%) across the four stores in four cities prefer quality of products, offers/discounts, product availability and time factor.

Suggestion: Based on customers preferences and requirements retail stores have to provide services. In this study customers preferred quality product, product availability, discounts/offers, technology, good interaction and saving time. So, retailers are advised to concentrate more on these areas.

- ❖ **Finding:** As per the study, customers (40-45%) experienced the store prices are high in comparison to other outlets. This is more prevalent in Lifestyle and Shoppers Stop than the other.

Suggestion: Stores need to work out on their pricing policies to attract the price conscious customer segments. Outlets should have the competition in mind while pricing the product as customers eye on the price of the product first.

- ❖ **Finding:** Customers normally rely on themselves (more than 55%) whether to purchase or not. The influence of friends and colleagues is secondary.

Suggestion: Role of family and relatives in buying decision is growing. Stores need to have single point shopping facilities to cater the family shopping.

- ❖ **Finding:** The majority of the store customers (around 85%) are not utilizing the stores' home delivery services.

Suggestion: Stores need to give the benefits and significance of their home delivery services. Stores need to understand the importance of the home service in building strong customer relationship.

- ❖ **Finding:** Majority of the customers (more than 75%) is either moderately satisfied or do not have any issues with the time duration in solving their store related queries or problems.

Suggestion (S): Stores need to benchmark minimum time durations to handle the customers' queries and problems related to shopping and stores. Need to setup multiple virtual (online) and real help desk to handle all kinds of customer problems, complaints and responses.

- ❖ **Finding:** Credit cards and debit cards are the most preferred (49.6%) mode of bill payments at the store by the customers. Cash is still one of the most opted (38.8%) options for bill payments at the stores.

Suggestion: Stores should provide special benefits for particular mode of payments without giving priority to any exclusive mode. Quality of services should not fluctuate from one mode of payment to another. Stores have to provide adequate billing counters with swiping card machines and online billing options.

- ❖ **Finding:** Majority of the customers (87.8%) are willing to visit the store again as they feel very satisfied with the services provided by the stores.

Suggestion: New customers should be made aware about the benefits being a repeat and loyal customer to the store. To achieve this, companies should promote and aware every customer about their services and associated benefits with them.

- ❖ **Finding:** Customers are self motivated in sharing and are willing to suggest the store to their friends and relatives. 93.7% customers are willing share with their friends and relatives about the outlet. It is a good way of Word of Mouth (WOM) promotion.

Suggestion: Need to attract the expected new customers as suggested by the old and regular customers. Stores should foresee big family sales instead of attending the present purchase as a onetime transaction.

- ❖ **Finding:** Almost half of the customers (43.8%) who responded to the study are not part of any Customer Membership/Loyalty Card status. Out of whom a few of them are not aware of membership card program offered by these stores.

Suggestion: Companies have to promote their CRM strategies like loyalty card program to all customers. They need to setup a separate department to promote loyalty card program inside the store as well as outside by using media, advertisement etc. There is also a need to assess the likes and dislikes of the customers who do not possess loyalty programs.

- ❖ **Finding:** Customers with the Membership Card/ Loyalty Cards are from the income brackets of Rs 360 001-500 000 and above Rs 500 000. Significant part of the respondents from the income brackets of Rs 120 001-240 000 and Rs 240 001-360 000, are not under loyalty program.

Suggestion: Stores need to reformulate their loyalty card and membership policies to create more loyal and repeated customers.

- ❖ **Finding: (Delhi)** The gap between High Income (>500,000) and No Income is high. Out of all surveyed stores, Pantaloon receives minimum customers from the income group of more than Rs 5, 00,000.

Suggestions: Need to understand the elements of attractions of the No Income group and other income groups to visit the stores.

- ❖ **Finding: (Hyderabad)** The income gap between the various respondents at Lifestyle stores is less. Westside Hyderabad store is the one which share maximum respondents from Rs 240001 – 360000 per year.

- ❖ **Suggestions:** Good scope in surveyed malls for high earning income groups.

- ❖ **Finding: (Kolkata)** The Income groups of respondents from all surveyed stores are significantly different. Shoppers Stop Kolkata caters the maximum

customers from the highest income group. The customers of other surveyed stores are from the other three different income groups.

Suggestion: The customers at Kolkata are very price cautious.

- ❖ **Finding: (Mumbai)** It is similar to Delhi data. The highest number of membership card holders are from the High Income (>500,000) and No Income group.

Suggestion: Need to understand the other income group respondents' perception towards membership card.

- ❖ **Finding:** There exists a significant relationship between loyalty card program benefits and customers' long term relationship with the stores. Loyalty card programs are important and play significant role in creating long term relationship between the stores and the customers.

Suggestion: To improve the customer loyalty, stores need frequent reviews and updates related to benefits and services offer to members.

- ❖ **Finding:** The level of customer satisfaction is higher among the membership card holders in comparison to non membership card holders. Products variety availability, special offers and desired product availability strengthen the customer satisfaction among the member customer of the stores.

Suggestion: It is advised to the stores to know the likes and dislikes of the non-member customers to enrich the stores' CRM practices.

- ❖ **Finding:** Out of 364 non membership respondents, 239 (69%) respondents are willing to become membership cardholders.

Suggestion: In this respect, stores need to analyze the reason behind their previous exclusion or late entry into the circle of membership cardholders.

- ❖ **Finding:** Out of total 760 respondents, 304 (40.0%) respondents have membership cards of more than one store.

Suggestion: Further research to identify the implications and impacts on the customers' buying decision and buying process.

- ❖ **Finding:** Technological services offered by the stores are reported as moderately satisfactory by the respondents. Desired products availability, products varieties availability, product quality, technology service, relationship interactions, discount/offers and facilities are highly praised by the store customers.

Suggestion: Companies need to educate the customers about technology services which are available in stores. Especially online services and web update of benefit details.

- ❖ **Finding:** More than fifty percent (50%) customers receive information on products and price from the stores. Around 80% information receivers found the information as useful and needful.

Suggestion: However, more than forty percent customers reported that they do not receive any information from the store relating to products and price. Stores should review their marketing and advertisement strategies to reach customers in time.

- ❖ **Finding:** Stores found that sending Wishes/Greetings to customers is 70.0% useful, but around 50.4% customers do not receive the greetings from the stores.

Suggestion: Stores should adopt mode of communication which is more accurate and with more success rate.

- ❖ **Finding:** Online shopping is suitable and convenient for store customers. But a majority of the store customers (87.9%) are not using online shopping more often.

Suggestion: It is quite possible that in future online shopping will gain more momentum, until then stores need to improve and strengthen the transactions' quality through the stores' staff.

7.3. OBSERVED INFERENCES FROM STATISTICAL ANALYSIS STUDY

- ❖ **Finding: H1)** Eight variables have been enquired which are quality product, Brand Image, low price, product varieties, latest arrivals, stock size, special discount and special offers. Chi-square test has applied to test this hypothesis.

Out of 8 variables, 3 variables - quality product, low price, and latest arrivals have got common response from all four city customers. Customers have given different opinions for the remaining 5 variables.

- ❖ **Suggestion:** In general, customer opinion is not same on any concept across the country. According to the customer preference and choice, companies have to provide the features and benefits of the products to the customers. From all four cities, customers responded with common opinion regarding quality of the product, low price and latest arrivals. Companies should provide high quality products with reasonable price. They should also provide latest products to the customers. Stores should find the customer pulse about brand image, discounts, offers, stock size etc, and they should provide all kinds of services accordingly.

- ❖ **Finding: H2)** 15 variables have been taken for this study. These are store size, service level, shopping ambiance, entertainment, working hours, technology, good interaction, safety features, accessibility, and location of the outlet, image features, staff support, guaranty/warranty, replacement and parking. Factor analysis technique was applied to test hypothesis. Respondents gave high preference to accessibility of the outlet, guaranty/warranty, staff support, good interaction, shopping ambiance, technology and location of the outlet.

- ❖ **Suggestion:** Companies should concentrate on customers' needs and requirements. According to customers' needs and expectations stores should provide services. Customers prefer accessibility, good interaction and technology from the store. Companies should locate their presence at target customers' areas. Once customer visits the store staff/management should give proper attention to each and every customer. Once customer satisfies with products and services he will become regular customer to the store. This is the way how companies should create relationship with customers.

- ❖ **Finding: H3)** The researcher identified 14 areas of satisfaction levels: Desired products availability, Products varieties availability, Desired new arrivals Availability, Product price, Product quality, Staff support, Shopping ambiance, Technological services, relationship/interaction, special offers, discounts, facilities, billing, and children play. Multiple regressing analysis

test has applied to test this study. Out of 14 variables, total respondents responded positively on availability of products, product quality, technology, interaction, discounts and facilities which are provided by the stores. Customers responded negatively for the remaining 8 variables.

- ❖ **Suggestion:** Most of the customers are satisfied with what the stores are providing at present. Companies need to improve the other areas like price, new arrivals, staff support, special offers billing and children play. If companies can concentrate on these areas they will get more business from the customers.

- ❖ **Finding: H4)** The study collected data from total 760 customers. Lifestyle, Pantaloons, Shoppers Stop and Westside are the selected stores in the four cities: Delhi, Hyderabad, Kolkata and Mumbai to collect the data. Out of total 760 customers, 414 customers are membership card holders, 323 customers are non membership category and 23 customers have no awareness about membership card. Two categories exist in the membership card holders group. 66.1% and 59.7% are from Rs 3, 60,000 – Rs 5, 00,000 and greater than Rs 5, 00,000 per year income group respectively. These two group customers are the highest income level customers in this study. No income/Dependents take the next position. Their percentage of membership card program is 57.4%. It clearly shows that there is no income criterion of holding membership card in any store.

- ❖ **Suggestion:** According to the current study, holding membership card of any store is not based on the customers' income position. It totally depends on the customer satisfaction of the products and services provided by the stores. So, companies have to improve their product quality, desired products availability, good interactions, offers, seasonal discounts and other facilities. If companies can concentrate more on these areas more than 50% of customers will turn up to taking membership card program. Through this program, companies can gain more loyalty from customers.

- ❖ **Finding: H5)** The study tries to find the effectiveness of loyalty card program, how it helps to maintain long term relationship with customers. Out of 760 respondents, 414 respondents are membership card holders. Their experience

with membership card program is divided in to four groups: 1 to 2 years, 2 to 4 years, 4-6 years and more than 6 years. From the entire group, customer's satisfaction percentage is more than 90%. Only 8.7% of customers are unsatisfied membership card holders. It shows that membership customers are happy with membership program and its benefits, and so they enjoy and continue good relationship with respected companies.

- ❖ **Suggestion:** As more than 90% of customers are satisfied with the membership card and its benefits offered by respected stores, companies need to promote it effectively to all non membership card holders. It increases the membership card holder's number as well as business to the stores.

- ❖ **Finding: H6)** Total 760 customers responded on various variables : Desired products availability, Products varieties availability, Desired new arrivals Availability, Product price, Product quality, Staff support, Shopping ambiance, Technological services, Relationship/Interaction, Special offers, Discounts, Facilities, Billing, and Children play. Membership card holders' satisfaction level is higher than non membership card holders in all the variables. But significantly not much. Perhaps a membership card holder visits more frequently these stores and they are very familiar with products and services of stores compare to non membership card holders. Finally it is concluded that membership card holders are highly satisfied with products and services of Lifestyle, Pantaloons, Shoppers Stop and Westside stores.

- ❖ **Suggestion:** The study clearly explains that membership card holders' satisfaction level is high compared to non membership card holders. Companies should concentrate more of non membership card holder benefits. They need to provide additional benefits to all customers. Staff has to pay good attention at each and every customer who walks in to the stores.

- ❖ **Finding: H7)** The study explains that out of total 760 customers, maximum of 80% customers respond positively on technology services provided by all these four outlets. 86% positively respond for technology services. 77% customers are happy for receiving information from the outlets about product and latest events information. 84% customers respond that the information received is very useful. Finally, 67% respond that technology services have

created loyalty on the outlets. Stores communicate with customers about latest arrivals, schemes, offers etc. Every organization sends SMS's, E-mails, Phone calls etc to help the customers know the latest about the stores. Even membership card customers can check and update the loyalty card points and its benefits. Technology is playing vital in creating long term relationship with customers. However, out of 760 customers 88% of customers are not using online sales transactions. Only 12% of customers are using online transaction in these four stores. 90% customers are satisfied with online service among the online shopping users.

- ❖ **Suggestion:** Technology is essential for every business especially in retailing business to survive in competitive market in the world. In India, major departmental stores like Lifestyle, Pantaloon, Shoppers Stop and Westside are using all kinds of technology tools. These are helping to improve the business. Technology also saves the customers' time and money. Stores need to provide all kinds of latest technology services. Stores should communicate with customers about latest events which are happening in the stores. In this regard, companies should utilize SMS's, E-mails, Mobile calls etc more effectively. This service should be available to all membership and non-membership card customers. Stores should gather customers' phone number and email addresses. Among the online transaction users from these stores, majority customers are highly satisfied with online service. It clearly tells that online transaction is very easy and safe. Stores need to promote it to all customers who visit the stores.

7.4. MAJOR FINDINGS AND SUGGESTIONS

- ❖ All the stores need to undertake product assortment. Pantaloon needs to improve in particular. Hence, it can not only accommodate more products and provide space for shopping but also help customers who come with their children enjoy shopping, while their children play and have fun.
- ❖ All the stores should incorporate more varieties especially Pantaloon and Westside. They should provide more variety of products in its basket so that all things are available under one roof to its customers. Variety of products

should be increased in traditional wear for women, footwear, jewelry, cosmetics and more varieties in watches etc.

- ❖ Seating area should be provided for old people and children, so that they can sit while other family members while shopping. Free coffee/Tea for adults may increase adults' footfall in the stores.
- ❖ More computers should be included and number of billing counters should be increased especially during the peak hours, festive season and sale, so as to speed up the process of billing and avoid large queues.
- ❖ Staff should be trained properly, every sales executive should be aware of all activities and loyalty program details to assist people/customer and to make them understand the benefits of loyalty card programs. It will strengthen customer loyalty in turn.
- ❖ The shopping malls & retail outlets are targeting middle class customers because the purchasing power of this class is rapidly growing as well as the class is also growing.
- ❖ The young generation is fashion & show-off conscious. So retail outlets mainly focusing on them should sponsor college events as its main target is youth.
- ❖ Customers prefer loyalty card mainly because of Benefits/Points of card, Discounts, Special offers, preferential treatment, and Updates (New arrival), as well as preferred features for shopping: Product, Ambience, Discounts, Services, Convenience Location and Price. Stores should give more attention to it.
- ❖ The most important result that has come out from the study is that customers do demand discounts but they want discounts that are redeemable easily and at their ease. Thus the program should be designed in such a way that it gives customer benefits that are redeemable easily and quickly.

- ❖ Most of the organized retailers in India are offering similar services on customer loyalty programs. Stores can differentiate program by the brand name of the organization.
- ❖ Shoppers Stop is the number one retailer whose Customer loyalty program is very well integrated compared to the other retailers.
- ❖ The average number of walk-ins in a store is generally based on the location of the mall.
- ❖ The CRM strategies of all the organized retailers are still very less integrated in terms of the international players like Wal-Mart, Carrefour and other multi chain outlets in the World.
- ❖ Banks provide cash back credit card in the form of an extended discount to various organized retail outlets.
- ❖ The Reward structure needs a revision to tap in more customers so that the profit margins can be increased.
- ❖ Most preferred features for loyalty card are Discounts, Special offers, Preferential treatment, Updates (New arrival) shopping - Product, Ambience, Discounts, Services, Convenience Location Price etc.
- ❖ Overall, the companies should start looking for means to attract people coming in to the stores in the form of extended shopping hours, double points on off days etc.
- ❖ The loyalty programs of organized retailers mentioned in the project are very similar compared to international loyalty programs
- ❖ The CRM implementation in retail has just been started in retailing in the form of supplier goods purchase and customers.

❖ The study also indicated that customers find it difficult to carry different loyalty cards every time they go for shopping. Thus it is essential to offer more convenient way to use the loyalty card, like AADHAAR-UIDAI (Unique Identification Authority of India) card. Study has proposed few options that can be adopted, such as:

- 1) **One card for all:** I-mint can be considered as an exemplary card. This card can be used in number of outlets as the manufactures have MOUs' with many companies for the benefits of their customers. This will make the customer's shopping hassle free as he can carry the same card to any outlet.
- 2) **Code based usage:** If a unique code is given to every customer, he/she enjoys shopping without a card. The customer will just let his/her unique code and get the benefits of it.
- 3) **Integrate it with the credit card:** The best possible option is to integrate the loyalty card with the credit card. Customers always carry their respective credit card for shopping this will ensure that customer is not required to make any additional effort to avail the benefits of a loyalty program and at the same time retailers can design a special credit card integrated with their marketing strategy. If the retailers in association with bankers bring out a credit card that caters the needs of customer and redeem benefits of shopping, it will receive great welcome form the customers. This is a win-win situation for customers, retailers and also bankers.

The above listed features clearly indicate that Indian consumers are growing more matured. They are demanding non-material benefits more compared to material benefits demanded previously. The consumer today is demanding higher level of good interaction, relationship and service than products. Retailers need to focus on delivering (selling) experience along with products. They should make the customers satisfy with all services. Once the satisfied customer becomes loyal to the stores, finally it creates long term relationship between customer and organization.

7.5: THE PROPOSED 5 FACTORS CRM MODEL FOR THE RETAILING IN INDIA

The 5 factors model is more comprehensive and incorporates essential and multi-dimensional attributes for CRM which are missing in the other models. This model is adopted and influenced by the Zineldin's 5Qs: a multidimensional model of quality attributes impacting the level of CRM strategy and loyalty level. Such attributes are the membership cards and prod-serve facilities offered by the organized stores.

As per Zineldin (2006) customer loyalty and the maintenance of the customer relationship, are in fact dependent on how well a product and services measures up to the customer's original expectations of quality. While Gronroos (2000) has divided the total quality of a product/service into technical quality and functional quality; Zineldin has offered a 5Qs model which impacting the satisfaction and loyalty of a customer. For this research work being following Zineldin model study had implemented five factorial dimensions (5Fs) which impacting the satisfaction and loyalty, retention and profitability of a customer (5Fs):

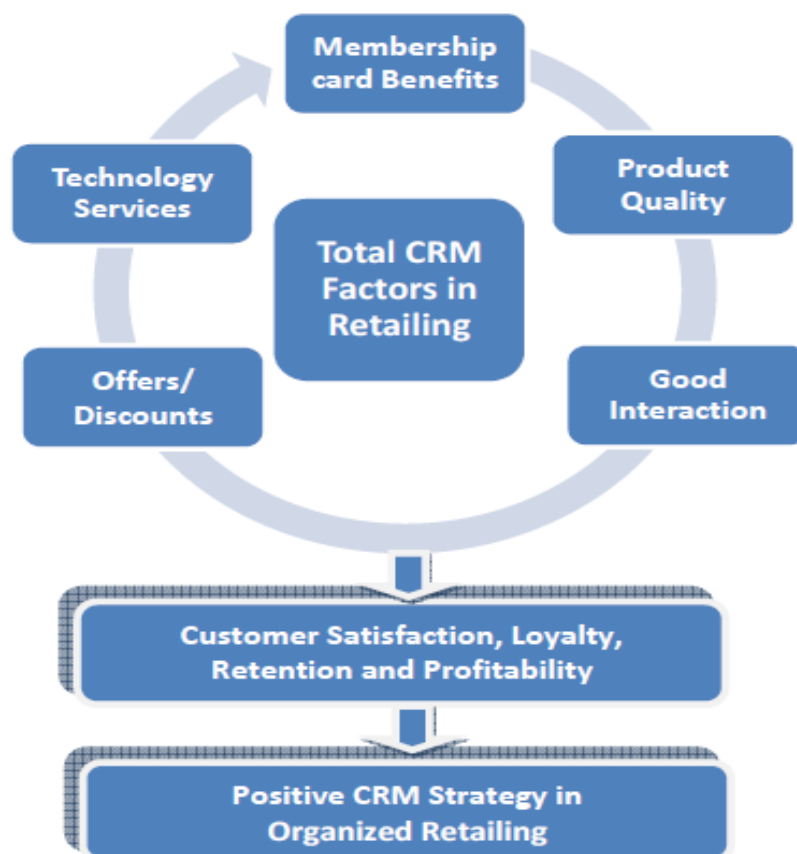


Figure 7.1: Factors of effective implementation of CRM in organized retailing

Factor1 - Membership Card Benefits: The membership card is an important technique; it creates long term relationship between companies to customers. Through membership card programs, customer gets rewards, gifts discounts and other benefits, which strengthen the relation between the organization and the customer. Membership programs are an excellent means of garnering customer data and also maintain this data. An effective customer database allows an organization to better understand customers' needs and their relationship needs in particular, better than the competitors.

Factor2 - Product Quality: Product quality is an essential factor for every business organization. If a product fulfils customer's expectations, the customer will be pleased and will consider the product to be of acceptable or even high quality. If his/her expectations are not fulfilled, the customer will consider that the product is of low quality. In retail, providing quality products to customers decides the customer experience and eventually the status of the product image in the market.

Factor3 - Customer Interaction: Every successful organization recognizes the value of maintaining and improving customer relationships. When customers enter a business establishment, they carry an expectation, that of a feel-good factor. They want an 'experience' that leaves them with a positive attitude and wanting to go back for more. Companies that care for this customer expectation and provide personal interaction that matches with it are the ones that enjoy greater favor in the mind of the market.

Factor4 - Offers/Discounts: When companies create surprising offers, people will pay attention. In fact, "free" can convert price shoppers into loyal clients. Offers and discount factors increase the price conscious customer's foot fall in to the stores. The question now is how an organization decides on what pricing/ offer strategy to follow and yet not hurt its own margins. The answer lies in using data based on customer behaviour and interests and converting this information into special offers/discounts that are hard to resist for customers.

Factor5 - Technology service: Technology plays a vital role in the present business world. Technology provides the tools and functions which companies depend on to

enhance speed, accuracy, consistency of service. With the advent of new communication technologies, prevalent computerization, the internet boom, practically all business activities use some form of technology or the other. Technology decreases the time it takes to perform a task and increases the volume of information that can be processed. Technology helps the customer handle more of his/her shopping with relative ease and with greater quality in retail business. And it is definitely easier to communicate new products arrivals, special offers/discount, and new scheme etc to customers through technology.

All these five factors have a telling impact on customer psyche and beget customer satisfaction, loyalty, retention and finally profitability. These five factors are very much in line with the objectives of retailing business in particular and make the Five Factor CRM model, an accurate and effective instrument in retail business.

The model concludes that “membership card benefits, quality interaction with customers, product quality, well tailored offers/discounts and relevant and user friendly technology” are key factors for every organized retailing business.

To recapitulate, Customer Relationship Management is key to a business’s growth as a well managed customer keeps returning for the same experience and continues to interact and brings in more customers like himself/herself. A retained customer is a business’s loyal ambassador as well as a contributor to profit. It is imperative that a loyal customer be treated like royalty. Focusing on the needs, wants, addressing changing requirements and offering the best value for money spent is common knowledge. The Five Factor model suggested above has been developed from other expert theories, models as well as intensive research and serves as an excellent framework for businesses that are in need of CRM strategy or are improvising on existing CRM strategy.

7.6. CONCLUSION

In contemporary business world having good customer relationship strategies and programs is pivotal for every business organization. Organized retail is one of the sectors that need effective and updated Customer Relationship Management (CRM) practices. It takes rigorous processes and daunting thoughts to schedule effective and efficient CRM programs and practices. CRM has become an important element for holistic organizational growth. Technically, CRM systems can be viewed as information systems helping organizations to realize and observe itself through a customer's lens. CRM plays an important role in retail business same like other organizations. In retail stores, where furious competition exists, customers have many choices to swiftly switch over from one retail outlet to another.

The retail sector has played a phenomenal positive role throughout the world in meeting the demand of consumer goods and services. In terms of GDP, India Retail Industry is the second largest industry, followed by agriculture, accounting for over 10 per cent of the country's Gross Domestic Product (GDP) and around 8 per cent of the employment. Indian Retail Industry has come forth as one of the most dynamic and fast paced industries due to entry of several giant players. But all of them have not yet tasted success because of inadequate understanding of customer buying behaviour and attitude.

Similar to other business organizations, retail sector too looks for long term sustainable profit by serving the customers. The busy customers prefer convenience and comfort, while shopping for quality products on reasonable prices. In order to attract and retain customers, the retailers have created an environment of comfort apart from their products and services. They also take care about the stores environment and surroundings like having good spacious place with proper ventilation and other necessary safety and security requirements to make their shopping hours convenient and fruitful.

To fulfill all customer expectations and requirements, companies have to find customer needs and expectations from retail stores. Retailers are exploring new ways on CRM practices like how to leverage the technology such as predictive software on

customer buying decisions or to uncover the fine buying patterns and identify potential customers for categories they have never bought in before.

One of the strategies is membership card program/loyalty card program. Though retailers are making apt use of the Internet through accessible and informative Web sites and targeted e-mails, there is still, a broad range of customers outside of loyalty card membership programs of the retailers. Companies need to implement some in depth understanding of their programs and initiatives to attract the rest. As customer loyalty being one of the most important factors for retail business, well designed and implemented loyalty programs can help the stores to gain competitive edge and can hence increase profitability.

All organized stores, in present study, are well aware of the importance of having long-term relationships with their customers. They are all working with a customer database in order to get to know their customers and use their databases for CRM. CRM practices are able to create strong loyal relationship and bond with their customers. To entice the customer to become a member in the customer club and come back to the organization all of the surveyed stores offer their customers bonus, special offers and special experiences. All of the stores also work with collaboration partners which give them more possibilities for creating magical experiences.

Though Customer loyalty programs alone cannot create loyalty, they can be used as a complement to create loyalty among customers. The study identified five factors of effective implementation of CRM in retailing: membership card benefits, good customer interaction, product quality, technology service and offers/discounts. The study strongly considers that the organization should have good products, functional store and service. These are the basis why customers choose to re-patronize a certain retailer. Once all the basic aspects of the business are satisfying, the customer loyalty programs add value to the generation of customer loyalty.

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APPENDICES

a) Customer with multiple membership card details -1

Name of City	Name of Store	Lifestyle	Pantaloon	Shoppers stop	Westside	Others	More than one	Total
Delhi	Lifestyle	0 (0.0)	1 (5.3)	7 (36.8)	5 (26.3)	3 (15.8)	3 (15.8)	19 (100.0)
	Pantaloon	0 (0.0)	1 (3.6)	5 (17.9)	6 (21.4)	8 (28.6)	8 (28.6)	28 (100.0)
	Shoppers Stop	7 (21.9)	5 (15.6)	2 (6.3)	6 (18.8)	2 (6.3)	10 (31.3)	32 (100.0)
	Westside	1 (7.7)	4 (30.8)	1 (7.7)	0 (0.0)	5 (38.50)	2 (15.4)	13 (100.0)
	Total	8 (8.7)	11 (12.0)	15 (16.3)	17 (18.5)	18 (19.6)	23 (25.0)	92 (100.0)
Hyderabad	Life style	0 (0.00%)	8 (27.6)	13 (44.8)	0 (0.0)	8 (27.6)	0 (0.0)	29 (100.0)
	Pantaloon	1 (11.1)	0 (0.0)	1 (11.1)	0 (0.0)	7 (77.8)	0 (0.0)	9 (100.0)
	Shoppers stop	5 (25.0)	0 (0.0)	4 (20.0)	1 (5.0)	9 (45.0)	1 (5.0)	20 (100.0)
	West side	3 (21.4)	2 (14.3)	2 (14.3)	0 (0.0)	6 (42.9)	1 (7.1)	14 (100.0)
	Total	9 (12.5)	10 (13.9)	20 (27.8)	1 (1.4)	30 (41.7)	2 (2.8)	72 (100.0)
Kolkata	Pantaloon	3 (13.6)	2 (9.1)	4 (18.2)	2 (9.1)	8 (36.4)	3 (13.6)	22 (100.0)
	Shoppers stop	9 (36.0)	6 (24.0)	0 (0.0)	2 (8.0)	5 (20.0)	3 (12.0)	25 (100.0)
	West side	0 (0.0)	5 (38.5)	3 (23.1)	0 (0.0)	4 (30.8)	1 (7.7)	13 (100.0)
	Total	12 (20.0)	13 (21.7)	7 (11.7)	4 (6.7)	17 (28.3)	7 (11.7)	60 (100.0)
Mumbai	Life style	2 (8.0)	4 (16.0)	11 (44.0)	2 (8.0)	4 (16.0)	2 (8.0)	25 (100.0)
	Pantaloon	3 (25.0)	2 (16.7)	0 (0.0)	2 (16.7)	3 (25.0)	2 (16.7)	12 (100.0)
	Shoppers stop	14 (56.0)	3 (12.0)	0 (0.0)	2 (8.0)	4 (16.0)	2 (8.00)	25 (100.0)
	West side	2 (16.7)	4 (33.3)	1 (8.3)	0 (0.0)	4 (33.3)	1 (8.3)	12 (100.0)
	Total	21 (28.4)	13 (17.6)	12 (16.2)	6 (8.1)	15 (20.3)	7 (9.5)	74 (100.0)

b) Customer with multiple membership card details -2

Name of the Place	Name of the Shop	Yes	No	Total
Delhi	Life style	18 (33.3)	36 (66.7)	54 (100.0)
	Pantaloon	28 (53.8)	24 (46.2)	52 (100.0)
	Shoppers stop	34 (61.8)	21 (38.2)	55 (100.0)
	West side	14 (51.9)	13 (48.1)	27 (100.0)
	Total	94 (50.0)	94 (50.0)	188 (100.0)
Hyderabad	Life style	31 (39.7)	47 (60.3)	78 (100.0)
	Pantaloon	11 (22.0)	39 (78.0)	50 (100.0)
	Shoppers stop	22 (38.6)	35 (61.4)	57 (100.0)
	West side	14 (53.8)	12 (46.2)	26 (100.0)
	Total	78 (37.0)	133 (63.0)	211 (100.0)
Kolkata	Pantaloon	22 (37.3)	37 (62.7)	59 (100.0)
	Shoppers stop	23 (33.3)	46 (66.7)	69 (100.0)
	West side	13 (54.2)	11 (45.8)	24 (100.0)
	Total	58 (38.2)	94 (61.8)	152 (100.0)
Mumbai	Life style	25 (37.9)	41 (62.1)	66 (100.0)
	Pantaloon	12 (24.0)	38 (76.0)	50 (100.0)
	Shoppers stop	25 (40.3)	37 (59.7)	62 (100.0)
	West side	12 (38.7)	19 (61.3)	31 (100.0)
	Total	74 (35.4)	135 (64.6)	209 (100.0)

c) Shopping experience of customers

Name of the Shop	Name of the City	0-1 years	1-3 Year	3-5Years	Above 5 years	Total	Non Regular	Total
Life style	Delhi	18 (33.3)	24 (44.4)	4 (7.4)	2 (3.7)	48 (88.9)	6 (11.1)	54 (100.0)
	Hyderabad	31 (39.7)	17 (21.8)	4 (5.10)	7 (9.0)	59 (75.7)	19 (24.4)	78 (100.0)
	Mumbai	18 (27.3)	30 (45.5)	12 (18.2)	1 (1.5)	61 (92.5)	5 (7.6)	66 (100.0)
	Total	67 (33.8)	71 (35.9)	20 (10.1)	10 (5.1)	168 (84.8)	30 (15.2)	198 (100.0)
Pantaloen	Delhi	22 (42.3)	9 (17.3)	3 (5.8)	4 (7.7)	38 (73.0)	14 (26.9)	52 (100.0)
	Hyderabad	18 (36.0)	16 (32.0)	4 (8.0)	5 (10.0)	43 (86.0)	7 (14.0)	50 (100.0)
	Kolkata	16 (27.1)	20 (33.9)	8 (13.6)	4 (6.8)	48 (81.4)	11 (18.6)	59 (100.0)
	Mumbai	21 (42.0)	13 (26.0)	3 (6.0)	4 (8.0)	41 (82.0)	9 (18.0)	50 (100.0)
	Total	77 (36.5)	58 (27.5)	18 (8.5)	17 (8.1)	170 (80.6)	41 (19.4)	211 (100.0)
Shoppers stop	Delhi	9 (16.4)	19 (34.5)	6 (10.9)	8 (14.5)	42 (76.4)	13 (23.6)	55 (100.0)
	Hyderabad	17 (29.8)	17 (29.8)	4 (7.0)	5 (8.8)	43 (75.4)	14 (24.6)	57 (100.0)
	Kolkata	19 (27.5)	27 (39.1)	8 (11.6)	6 (8.7)	60 (87.0)	9 (13.0)	69 (100.0)
	Mumbai	20 (32.3)	19 (30.6)	12 (19.4)	7 (11.3)	58 (93.5)	4 (6.5)	62 (100.0)
	Total	65 (26.7)	82 (33.7)	30 (12.3)	26 (10.7)	203 (83.5)	40 (16.5)	243 (100.0)
West side	Delhi	7 (25.9)	7 (25.9)	4 (14.8)	0 (0.0)	18 (66.7)	9 (33.3)	27 (100.0)
	Hyderabad	7 (26.9)	7 (26.9)	4 (15.4)	5 (19.2)	23 (88.5)	3 (11.5)	26 (100.0)
	Kolkata	6 (25.0)	8 (33.3)	3 (12.5)	6 (25.0)	23 (95.5)	1 (4.2)	24 (100.0)
	Mumbai	10 (32.3)	13 (41.9)	3 (9.7)	3 (9.7)	29 (93.5)	2 (6.5)	31 (100.0)
	Total	30 (27.8)	35 (32.4)	14 (13.0)	14 (13.0)	93 (86.1)	15 (13.9)	108 (100.0)

d) Customer purchase value per visit and their income status – (Delhi information)

Place of the Mall	Name of the Shop	Customer income status	Customer Shopping value per visit				Total
			Less than 1000	1001-5000	5001-10000	Above 10000	
Delhi	Lifestyle	No income/Dependent	6 (19.4)	18 (58.1)	5 (16.1)	2 (6.5)	31 (100.0)
		120001- 240000	0 (0.0)	2 (100.0)	0 (0.0)	0 (0.0)	2 (100.0)
		240001 - 360000	2 (33.3)	3 (50.0)	1 (16.7)	0 (0.0)	6 (100.0)
		360001-500000	1 (25.0)	2 (50.0)	0 (0.0)	1 (25.0)	4 (100.0)
		>500000	1 (9.1)	8 (72.7)	2 (18.2)	0 (0.0)	11 (100.0)
		Total	10 (18.5)	33 (61.1)	8 (14.8)	3 (5.6)	54 (100.0)
	Pantaloen	No income/Dependents	10 (40.0)	12 (48.0)	1 (4.0)	2 (8.0)	25 (100.0)
		< 120000	0 (0.0)	3 (100.0)	0 (0.0)	0 (0.0)	3 (100.0)
		120001- 240000	3 (50.0)	3 (50.0)	0 (0.0)	0 (0.0)	6 (100.0)
		240001 - 360000	0 (0.0)	4 (66.7)	1 (16.7)	1 (16.7)	6 (100.0)
		360001-500000	2 (20.0)	3 (30.0)	3 (30.0)	2 (20.0)	10 (100.0)
		>500000	1 (50.0)	0 (0.0)	0 (0.0)	1 (50.0)	2 (100.0)
		Total	16 (30.8)	25 (48.1)	5 (9.6)	6 (11.5)	52 (100.0)
	Shoppers Stop	No income/Dependents	7 (28.0)	11 (44.0)	7 (28.0)	0 (0.0)	25 (100.0)
		240001 - 360000	1 (25.0)	3 (75.0)	0 (0.0)	0 (0.0)	4 (100.0)
		360001-500000	0 (0.0)	6 (100.0)	0 (0.0)	0 (0.0)	6 (100.0)
		>500000	1 (5.0)	16 (80.0)	0 (0.0)	3 (15.0)	20 (100.0)
		Total	9 (16.4)	36 (65.5)	7 (12.7)	3 (5.5)	55 (100.0)
	Westside	No income/Dependents	8 (50.0)	6 (37.5)	2 (12.5)	0 (0.0)	16 (100.0)
		120001- 240000	0 (0.0)	0 (0.0)	3 (100.0)	0 (0.0)	3 (100.0)
		360001-500000	0 (90.0)	1 (100.0)	0 (0.0)	0 (0.0)	1 (100.0)
		>500000	0 (90.0)	7 (100.0)	0 (0.0)	0 (0.0)	7 (100.0)
		Total	8 (29.6)	14 (51.9)	5 (18.5)	0 (0.0)	27 (100.0)

e) Customer purchase value per visit and their income status–(Hyderabad information)

Hyderabad	Lifestyle	No income/Dependents	4 (23.5)	13 (76.5)	0 (.0)	0 (.0)	17 (100.0)
		< 120000	0 (.0)	4 (100.0)	0 (.0)	0 (.0)	4 (100.0)
		120001-240000	2 (33.3)	4 (66.7)	0 (.0)	0 (.0)	6 (100.0)
		240001 - 360000	2 (11.1)	10 (55.6)	6 (33.3)	0 (.0)	18 (100.0)
		360001-500000	1 (5.6)	17 (94.4)	0 (.0)	0 (.0)	18 (100.0)
		>500000	2 (13.3)	12 (80.0)	1 (6.7)	0 (.0)	15 (100.0)
		Total	11 (14.1)	60 (76.9)	7 (9.0)	(.0) (.0)	78 (100.0)
	Pantaloon	No income/Dependents	2 (12.5)	11 (68.8)	2 (12.5)	1 (6.3)	16 (100.0)
		< 120000	0 (.0)	2 (100.0)	0 (.0)	0 (.0)	2 (100.0)
		120001-240000	1 (25.0)	3 (75.0)	0 (.0)	0 (.0)	4 (100.0)
		240001 - 360000	2 (18.2)	9 (81.8)	0 (.0)	0 (.0)	11 (100.0)
		360001-500000	2 (20.0)	5 (50.0)	3 (30.0)	0 (.0)	10 (100.0)
		>500000	1 (14.3)	4 (57.1)	2 (28.6)	0 (.0)	7 (100.0)
		Total	8 (16.0)	34 (68.0)	7 (14.0)	1 (2.0)	50 (100.0)
	Shoppers Stop	No income/Dependents	1 (7.7)	11 (84.6)	0 (.0)	1 (7.7)	13 (100.0)
		120001-240000	0 (.0)	4 (66.7)	2 (33.3)	0 (.0)	6 (100.0)
		240001 - 360000	0 (.0)	14 (87.5)	2 (12.5)	0 (.0)	16 (100.0)
		360001-500000	0 (.0)	10 (76.9)	2 (15.4)	1 (7.7)	13 (100.0)
		>500000	2 (22.2)	2 (22.2)	3 (33.3)	2 (22.2)	9 (100.0)
		Total	3 (5.3)	41 (71.9)	9 (15.8)	4 (7.0)	57 (100.0)
	Westside	No income/Dependents	1 (25.0)	2 (50.0)	1 (25.0)	0 (.0)	4 (100.0)
		120001-240000	0 (.0)	5 (71.4)	2 (28.6)	0 (.0)	7 (100.0)
		240001 - 360000	1 (12.5)	7 (87.5)	0 (.0)	0 (.0)	8 (100.0)
		360001-500000	2 (33.3)	3 (50.0)	0 (.0)	1 (16.7)	6 (100.0)
		>500000	0 (.0)	1 (100.0)	0 (.0)	0 (.0)	1 (100.0)
		Total	4 (15.4)	18 (69.20)	3 (11.5)	1 (3.8)	26 (100.0)

f) Customer purchase value per visit and their income status – (Kolkata information)

Kolkata	Pantaloon	No income/ Dependents	1 (4.3)	20 (87.0)	1 (4.3)	1 (4.3)	23 (100.0)
		< 120000	0 (.0)	1 (100.0)	0 (.0)	0 (.0)	1 (100.0)
		120001- 240000	1 (9.1)	8 (72.7)	2 (18.2)	0 (.0)	11 (100.0)
		240001 - 360000	1 (11.1)	8 (88.9)	0 (.0)	0 (.0)	9 (100.0)
		360001- 500000	0 (.0)	4 (80.0)	1 (20.0)	0 (.0)	5 (100.0)
		>500000	2 (20.0)	7 (70.0)	0 (.0)	1 (10.0)	10 (100.0)
		Total	5 (8.5)	48 (81.4)	4 (6.8)	2 (3.4)	59 (100.0)
	Shoppers Stop	No income/ Dependents	3 (15.8)	13 (68.4)	2 (10.5)	1 (5.3)	19 (100.0)
		120001- 240000	0 (.0)	4 (66.7)	2 (33.3)	0 (.0)	6 (100.0)
		240001 - 360000	0 (.0)	7 (87.5)	1 (12.5)	0 (.0)	8 (100.0)
		360001- 500000	1 (7.7)	9 (69.2)	1 (7.7)	2 (15.4)	13 (100.0)
		>500000	0 (.0)	12 (52.2)	5 (21.7)	6 (26.1)	23 100.0%
		Total	4 (5.8)	45 (65.2)	11 (15.9)	9 (13.0)	69 (100.0)
	Westside	No income/ Dependents	1 (25.0)	2 (50.0)	1 (25.0)	0 (.0)	4 (100.0)
		120001- 240000	0 (.0)	6 (75.0)	2 (25.0)	0 (.0)	8 (100.0)
		240001 - 360000	1 (25.0)	3 (75.0)	0 (.0)	0 (.0)	4 (100.0)
		360001- 500000	0 (.0)	2 (100.0)	0 (.0)	0 (.0)	2 (100.0)
		>500000	2 (33.3)	4 (66.7)	0 (.0)	0 (.0)	6 (100.0)
		Total	4 (16.7)	17 (70.8)	3 (12.5)	0 (.0)	24 (100.0)

g) Customer purchase value per visit and their income status – (Mumbai information)

Mumbai	Lifestyle	No income/ Dependents	7 (35.0)	10 (50.0)	2 (10.0)	1 (5.0)	20 (100.0)
		120001- 240000	2 (28.6)	3 (42.9)	2 (28.6)	0 (.0)	7 (100.0)
		240001 - 360000	2 (11.8)	13 (76.5)	2 (11.8)	0 (.0)	17 (100.0)
		360001- 500000	3 (27.3)	6 (54.5)	2 (18.2)	0 (.0)	11 (100.0)
		>500000	2 (18.2)	4 (36.4)	3 (27.3)	2 (18.2)	11 (100.0)
		Total	16 (24.2)	36 (54.5)	11 (16.7)	3 (4.5)	66 (100.0)
	Pantaloon	No income/ Dependents	2 (18.2)	9 (81.8)	0 (.0)	0 (.0)	11 (100.0)
		120001- 240000	3 (50.0)	2 (33.3)	1 (16.7)	0 (.0)	6 (100.0)
		240001 - 360000	7 (35.0)	9 (45.0)	3 (15.0)	1 (5.0)	20 (100.0)
		360001- 500000	0 (.0)	5 (55.6)	4 (44.4)	0 (.0)	9 (100.0)
		>500000	1 (25.0)	3 (75.0)	0 (.0)	0 (.0)	4 (100.0)
		Total	13 (26.0)	28 (56.0)	8 (16.0)	1 (2.0)	50 (100.0)
	Shoppers Stop	No income/ Dependents	0 (.0)	10 (71.4)	4 (28.6)	0 (.0)	14 (100.0)
		120001- 240000	0 (.0)	3 (42.9)	4 (57.1)	0 (.0)	7 (100.0)
		240001 - 360000	3 (37.5)	5 (62.5)	0 (.0)	0 (.0)	8 (100.0)
		360001- 500000	0 (.0)	8 (80.0)	0 (.0)	2 (20.0)	10 (100.0)
		>500000	1 (4.3)	15 (65.2)	3 (13.0)	4 (17.4)	23 (100.0)
		Total	4 (6.5)	41 (66.1)	11 (17.7)	6 (9.7)	62 (100.0)
	Westside	No income/ Dependents	2 (50.0)	1 (25.0)	0 (.0)	1 (25.0)	4 (100.0)
		120001- 240000	2 (28.6)	4 (57.1)	1 (14.3)	0 (.0)	7 (100.0)
		240001 - 360000	0 (.0)	4 (66.7)	2 (33.3)	0 (.0)	6 (100.0)
		360001- 500000	0 (.0)	5 (100.0)	0 (.0)	0 (.0)	5 (100.0)
		>500000	2 (22.2)	6 (66.7)	1 (11.1)	0 (.0)	9 (100.0)
		Total	6 (19.4)	20 (64.5)	4 (12.9)	1 (3.2)	31 (100.0)

h) Purchase influence on the customer buying decision

Place of the Mall	Name of the Shop	Influence of customer buying Decision					Total
		Own/self	Family/relatives	Friends/Colleagues	Children's	Others	
Delhi	Lifestyle	32 (59.3)	12 (22.2)	8 (14.8)	1 (1.9)	1 (1.9%)	54 (100.0)
	Pantaloon	37 (71.2)	6 (11.5)	8 (15.4)	1 (1.9)	0 (.0%)	52 (100.0)
	Shoppers Stop	32 (58.2)	13 (23.6)	10 (18.2)	0 (.0)	0 (.0%)	55 (100.0)
	Westside	10 (37.0)	9 (33.3)	8 (29.6)	0 (.0)	0 (.0%)	27 (100.0)
	Total	111 (59.0)	40 (21.3)	34 (18.1)	2 (1.1)	1 .5%	188 (100.0)
Hyderabad	Life style	51 (65.4)	13 (16.7)	14 (17.9)	0 (.0)	0 (.0)	78 (100.0)
	Pantaloon	39 (78.0)	4 (8.0)	7 (14.0)	0 (.0)	0 (.0)	50 (100.0)
	Shoppers Stop	41 (71.9)	10 (17.5)	6 (10.5)	0 (.0)	0 (.0)	57 (100.0)
	Westside	21 (80.8)	4 (15.4)	1 (3.8)	0 (.0)	0 (.0)	26 (100.0)
	Total	152 (72.0)	31 (14.7)	28 (13.3)	0 (.0)	0 (.0)	211 (100.0)
Kolkata	Pantaloon	26 (44.1)	15 (25.4)	14 (23.7)	2 (3.4)	0 (3.4)	59 (100.0)
	Shoppers Stop	40 (58.0)	23 (33.3)	4 (5.8)	1 (1.4)	1 (1.4)	69 (100.0)
	Westside	14 (58.3)	3 (12.5)	4 (16.7)	3 (12.5)	0 (.0)	24 (100.0)
	Total	80 (52.6)	41 (27.0)	22 (14.5)	6 (3.9)	3 (2.0)	152 (100.0)
Mumbai	Lifestyle	28 (42.4)	22 (33.3)	13 (19.7)	2 (3.0)	1 (1.5)	66 (100.0)
	Pantaloon	29 (58.0)	15 (30.0)	6 (12.0)	0 (.0)	0 (.0)	50 (100.0)
	Shoppers Stop	36 (58.1)	17 (27.4)	5 (8.1)	2 (3.2)	2 (3.2)	62 (100.0)
	Westside	21 (67.7)	8 (25.8)	2 (6.5)	0 (.0)	0 (.0)	31 (100.0)
	Total	114 (54.5)	62 (29.7)	26 (12.4)	4 (1.9)	3 (1.4)	209 (100.0)

i) Customer satisfaction of services provided by the retailers.

Name of the City	Name of Shop	Highly Satisfied	Moderately Satisfied	Neither/ Nor	Moderately Dissatisfied	Dissatisfied	No Issues	Total
Delhi	Life style	10 (18.5)	25 (46.3)	5 (9.3)	3 (5.6)	0 (.0)	11 (20.4)	54 (100.0)
	Pantaloon	2 (3.8)	30 (57.7)	14 (26.9)	0 (.0)	0 (.0)	6 (11.5)	52 (100.0)
	Shoppers stop	8 (14.5)	27 (49.1)	10 (18.2)	2 (3.6)	0 (.0)	8 (14.5)	55 (100.0)
	West side	2 (7.4)	19 (70.4)	3 (11.1)	0 (.0)	0 (.0)	3 (11.1)	27 (100.0)
	Total	22 (11.7)	101 (53.7)	32 (17.0)	5 (2.7)	0 (.0)	28 (14.9)	188 (100.0)
Hyderabad	Life style	7 (9.0)	30 (38.5)	21 (26.9)	2 (2.6)	0 (.0)	18 (23.1)	78 (100.0)
	Pantaloon	2 (4.0)	24 (48.0)	8 (16.0)	0 (.0)	0 (.0)	16 (32.0)	50 (100.0)
	Shoppers stop	8 (14.0)	21 (36.8)	10 (17.5)	1 (1.8)	2 (3.5)	15 (26.3)	57 (100.0)
	West side	4 (15.4)	11 (42.3)	6 (23.1)	0 (.0)	0 (.0)	5 (19.2)	26 (100.0)
	Total	21 (10.0)	86 (40.8)	45 (21.3)	3 (1.4)	2 .9%	54 (25.6)	211 (100.0)
Kolkata	Pantaloon	4 (6.8)	26 (44.1)	3 5.1%	0 (.0)	0 (.0)	26 (44.1)	59 (100.0)
	Shoppers stop	5 (7.2)	23 (33.3)	11 15.9%	0 (.0)	0 (.0)	30 (43.5)	69 (100.0)
	West side	0 (.0)	12 (50.0)	3 12.5%	0 (.0)	0 (.0)	9 (37.5)	24 (100.0)
	Total	9 (5.9)	61 (40.1)	17 11.2%	0 (.0)	0 (.0)	65 (42.8)	152 (100.0)
Mumbai	Life style	7 (10.6)	17 (25.8)	1 1.5%	0 (.0)	0 (.0)	41 (62.1)	66 (100.0)
	Pantaloon	1 (2.0)	18 (36.0)	4 8.0%	0 (.0)	0 (.0)	27 (54.0)	50 (100.0)
	Shoppers stop	3 (4.8)	20 (32.3)	7 11.3%	0 (.0)	0 (.0)	32 (51.6)	62 (100.0)
	West side	1 (3.2)	7 (22.6)	2 6.5%	0 (.0)	0 (.0)	21 (67.7)	31 (100.0)
	Total	12 (5.7)	62 (29.7)	14 6.7%	0 (.0)	0 (.0)	121 (57.9)	209 (100.0)

A STUDY OF CUSTOMER RELATIONSHIP MANAGEMENT (CRM) PRACTICES IN INDIAN ORGANIZED RETAILING

QUESTIONNAIRE FOR CUSTOMERS

Instructions to fill the Questionnaire:

1. The following questionnaire intends to collect the information about the role of CRM in retailing in India.
2. Please select any one option from the following A B C D E's.
3. Your information will be used for the research work purpose only.

Customer Name:..... **Age:**..... **Gender**

Qualification..... **Profession:**.....

Income: Rs...... **(Per Year)** **Place of Mall:**.....**Name of Shop**.....

C (A). CUSTOMER PERCEPTION TOWARDS SHOPPING:

1. How do you know this shop? []

A) Personally Aware	B) Family& Relatives
C) Friends & Colleagues	D) Advertisement
E) Any other please specify: _____	

2. Are you a regular customer to this shop? []

A) Yes	B) No
--------	-------
- 2.1. If yes, since how long have you been visiting this retail outlet/shop? []

A) 1 – 2 Years	B) 2 - 4 Years
C) 4 - 6 Years	D) More than 6 Years

3. How many times do you visit in a year? []

A) 1-6 Times	B) 6-12 Times
C) 13- 24 Times	D) More than 24 Times

4. How much worth of material do you purchase on an average during a visit? []

A) Less than Rs. 1000	B) Rs. 1001 - 5000
C) Rs. 5001 - 10000	D) Above Rs. 10000

5. What are the advantages you get in organized retail comparing to unorganized/kirana retail sector?

<input type="checkbox"/> Saving Time	<input type="checkbox"/> Product Availability	<input type="checkbox"/> Touch Free
<input type="checkbox"/> Offers/Discounts	<input type="checkbox"/> Product Price	<input type="checkbox"/> Selection of Prod.
<input type="checkbox"/> Quality Products	<input type="checkbox"/> Good Service	
Any other, please specify: _____		

6. Comparing to other organized outlet, is the price less here? []

A) Yes	B) No	C) Not aware
--------	-------	--------------

7. Who influences your product buying decision? []

A) Own/Self	B) Family/Relatives	E) other Please specify__
C) Friends/Colleagues	D) Children's	

8. Do you have any membership card/Loyalty cards offered by this shop? []
 A) Yes B) No C) No program

8.1. If yes, how did you come to know about the loyalty program of this shop? (Put tick '√' mark).

Name of the shop	Ads	Friends	In store	Internet

- 8.2. If yes, since how long have you been a member of this shop? []
 A) 1 – 2 Years B) 3 - 4 Years
 C) 5 - 6 Years D) More than 6 Years

- 8.3. If yes, are you satisfied with the benefits offered by the program? []
 A) Highly Satisfied B) Moderately Satisfied
 C) Neither Satisfied nor Dissatisfied D) Dissatisfied E) Highly Dissatisfied

8.4. If yes, do you agree that loyalty card program creates long term relationship with shops?

- A) Highly agree B) Moderately agree []
 C) Neither/nor D) Disagree E) Highly Disagree

9. What offers do you get by the loyalty card program? (Put tick '√' mark).

Name of the shop	Discounts	Promotions	Points	Gifts	Others

10. If you are a member of selected shop rate your opinion of the loyalty club program offered by the shop.

S.No	Program	Poor	Average	Above Average	Good	Excellent
1	Reward Structure					
2	Promotion offer					
3	Schemes, Privileges					
4	Redemption opinion					
5	Sense of Bonding with staff					
6	Value added service of the store					
7	Other Facilities					

11. If you are not membership card holder of this shop, do you want to get membership card/Loyalty card?

- A) Yes B) No []

12. Do you have other outlet membership card/Loyalty card?

- A) Yes B) No []

12.1 If yes please specify the outlet name/s _____

13. What are your preferable types of organized retail formats in general? (Put '√' mark).

☐ Hypermarket ☐ Supermarket ☐ Departmental store
☐ Franchise ☐ Discount store Specialty stores
☐ Convenience store ☐ Factory outlet

Any other, please specify: _____

14. Select the level of agreement against each priority of product purchase in a retail store.
(1- Lowest important and 5 - Highest important)

S.No	Product Status	1	2	3	4	5
1	Quality Product					
2	Low Price					
3	Brand Image					
4	Product Varieties					
5	Latest Arrivals					
6	Stock Size					
7	Special Discounts					
8	Special Offers					

15. Rate the following factors that interest you while shopping in the shop.
(1 - Lowest important and 5 - Highest important).

S.No	Factors	1	2	3	4	5
1	Store Size					
2	Service Level					
3	Shopping Ambiance					
4	Entertainment					
5	Working Hours					
6	Technology					
7	Good Interaction					
8	Safety Features					
9	Accessibility					
10	Location of the Shop					
11	Image Features					
12	Staff Support					
13	Guaranty/Warranty					
14	Replacement					
15	Parking Facility					

16. Are you satisfied with the Home Delivery? []
 A) Yes B) No C) Not using

17. How do you pay the Bill (mode of payment)? []
 A) Cash B) Credit/Debit Cards
 C) Cheque D) Other Please Specify _____

18. Are you satisfied with the time taken to provide a solution/service to your problem? []
 A) Highly Satisfied B) Moderately Satisfied C) Neither / nor
 D) Moderately Dissatisfied E) Highly Dissatisfied F) No Issues/Problems

19. Would you like to visit this shop again? []
 A) Yes B) No C) Can't Say

20. Would you suggest this shop to your friends/ relatives? []
 A) Yes B) No

If yes, please give reasons: _____

If no, please give reasons: _____

C (B). TECHNOLOGY PERCEPTION OF CUSTOMER:

21. Are you satisfied with technology services provided by the shop? []
 A) Highly Satisfied B) Moderately Satisfied
 C) Neither/ nor D) Moderately Dissatisfied E) Strongly Dissatisfied

22. Do you receive any kind of information from the shop about the products/prices? []
 A) Yes B) No

22. 1. If yes through which channels do you receive information Shop? (E-CRM)

☐ Mobile SMS ☐ E-Mails ☐ Phone Calls ☐ Other please specify_

23. Whether the received information helped you to know more about product? []
 A) Yes B) No

23.1. If yes, what type of information you receive? []

☐ New Arrivals ☐ Latest Price ☐ Offers ☐ Scheme E) Other please specify_

24. Do you receive any Wishes/Greetings from this outlet? []
 A) Yes B) No

24.1. If yes is it creates you loyalty on this outlet? []

A) Yes B) No

25. Did you purchase any items from this shop through online/web/internet? []
 A) Yes B) No

25.1. If yes since how long have you been using web shopping? []

A) 1- 6 Months B) 7 - 12 Months
 C) 13 - 24 Months D) More than 2 Years

26. How is your experience with the retail web/online/internet shopping? []
 A) Very good B) Good C) Bad D) Very bad

26.1. Why please specify_____

27. Do you agree that web shopping money transaction is safe? []
 A) Strongly Agree B) Moderately Agree
 C) Neither agree nor Disagree D) Moderately Disagree E) Strongly Disagree

C (C). CUSTOMER SATISFACTION:

28. Please rate your overall impression on this shop. (Put '√' mark).

<i>S.No</i>	<i>Item Availability</i>	<i>Excellent</i>	<i>Good</i>	<i>Above Average</i>	<i>Average</i>	<i>Poor</i>
1	Desired products Availability					
2	Products Varieties Availability					
3	Desired New arrivals Availability					
4	Product Price					
5	Product Quality					
6	Staff Support Service					
7	Shopping Atmosphere					
8	Technology Service					
9	Relationship/Interaction					
10	Special Offer					
11	Discounts					
12	Facilities					
13	Billing					
14	Children Play					

29. Overall satisfaction on shopping experience in this shop?

[]

A) Highly Satisfied

B) Moderately Satisfied

C) Neither / nor

D) Moderately Dissatisfied

E) Highly Dissatisfied

30. What are your suggestions for the improvement of this shop?

THANK YOU

World top 100 Retailers

Source: <http://www.worldb2blink.com/worldtop100retailers.htm>

No.	Retailer	Base	Type	Sales in U.S. \$millions	Region	Regional Station	% of sales in foreign country
1	Wal-Mart Stores, Inc	USA	Discount Store	163,532.00	N.America	Global	13.90%
2	Carrefour Group	FRA	Hypermarkets	52,196.10	Europe	Global	37.70%
3	The Kroger Co	USA	Supermarkets	45,352.00	N.America	Single Country	0.00%
4	MetroAG	GER	Diversified	44,163.37	Europe	Global	40.00%
5	The Home Depot, Inc	USA	Hardliners Spl	38,434.00	N.America	Global	3.70%
6	Albertson's, Inc	USA	Supermarkets	37,478.00	N.America	Single Country	0.00%
7	ITM Entreprises SA	FRA	Supermarkets	36,762.45	Europe	Regional	36.00%
8	Sears, Roebuck and Co	USA	Dept Store	36,728.00	N.America	Regional	10.60%
9	Kmart Corporation	USA	Discount Store	35,925.00	N.America	Single Country	0.00%
10	Target Corporation	USA	Discount Store	33,702.00	N.America	Single Country	0.00%
11	JC Penney	USA	Dept Store	31,503.50	N.America	Global	0.50%
12	Royal Ahold	NET	Supermarkets	31,222.15	Europe	Global	76.40%
13	Safeway Inc	USA	Supermarkets	30,801.80	N.America	Regional	10.80%
14	Rewe-Gruppe	GER	Supermarkets	30,567.69	Europe	Regional	19.70%
15	Tesco plc	UK	Supermarkets	30,404.40	Europe	Global	10.00%
16	Ito-Yokado Co, Ltd	JPN	Gen. Merchand	30,237.57	Asia	Global	29.80%
17	Edeka-Gruppe	GER	Diversified	30,002.57	Europe	Regional	2.40%
18	Costco Companies, Inc	USA	Warehouse Clue	26,976.45	N.America	Global	18.40%
19	Tengelmann Warenhande	GER	Supermarkets	26,509.12	Europe	Global	47.90%
20	The Daiei, Inc	JPN	Diversified	26,486.11	Asia	Regional	N/A
21	Aldi Group	GER	Supermarkets	26,107.50	Europe	Global	32.50%
22	J Sainsbury plc	UK	Supermarkets	25,833.06	Europe	Global	15.00%
23	Auchan Groupe	FRA	Hypermarkets	23,742.42	Europe	Global	18.90%
24	Jusco Co, Ltd	JPN	Gen. Merchand	23,166.21	Asia	Global	8.90%
25	Leclerc, Centres E	FRA	Hypermarkets	22,876.97	Europe	Regional	1.10%
26	OttoVersand Gmbh & Co	GER	Non-Store	19,781.13	Europe	Global	52.00%
27	IGA Inc	USA	Supermarkets	19,600.00	N.America	Global	44.90%

28	MYCAL Corporation	JPN	Dept Store	18,173.10	Asia	Regional	0.00%
29	CVS Corporation	USA	Drug Stores	18,098.30	N.America	Single Country	0.00%
30	Federated Department	USA	Dept Store	17,923.35	N.America	Single Country	0.00%
31	Delhaize "Le Lion"	BEL	Supermarkets	17,840.52	Europe	Global	83.00%
32	Walgreen Co	USA	Drug Stores	17,839.00	N.America	Single Country	0.00%
33	Kingfisher plc	UK	Diversified	17,521.35	Europe	Global	41.00%
34	Lowe's Companies, Inc	USA	Headlines Spl	15,905.60	N.America	Single Country	0.00%
35	Casino Groupe	FRA	Hypermarkets	15,515.98	Europe	Global	21.00%
36	Karstadt Quelle AG	GER	Diversified	14,913.95	Europe	Regional	8.20%
37	Coles Myer Ltd	AUS	Diversified	14,611.94	Australia	Regional	0.80%
38	Saison Group	JPN	Supermarkets	14,414.03	Asia	Regional	N/A
39	Winn-Dixie Stores	USA	Supermarkets	14,115.57	N.America	Regional	N/A
40	The May Dept Store	USA	Dept Store	13,869.00	N.America	Single Country	0.00%
41	Lidl & Schwarz Stiftu	GER	Supermarkets	13,461.60	Europe	Regional	20.40%
42	Rite Aid Corporation	USA	Drug Stores	13,328.00	N.America	Single Country	0.00%
43	Publix Super Markets	USA	Supermarkets	13,068.90	N.America	Single Country	0.00%
44	Marks & Spencer plc	UK	Gen. Merchand	12,667.26	Europe	Global	17.20%
45	Best Buy Co, Inc	USA	Hardlines Spl	12,494.02	N.America	Single Country	0.00%
46	Safeway plc	UK	Supermarkets	12,389.52	Europe	Regional	2.00%
47	Woolworths Limited	AUS	Supermarkets	12,252.15	Australia	Regional	N/A
48	Toys "R" Us, Inc	USA	Hardlines Spl	11,862.00	N.America	Global	27.00%
49	The Gap Inc	USA	Apparel Special	11,635.40	N.America	Global	11.30%
50	Takashimaya	JPN	Dept Store	11,367.98	Asia	Global	1.90%
51	UNY Co Ltd	JPN	Gen. erchand	10,808.88	Asia	Regional	1.40%
52	Circuit City Stores	USA	Headlines	10,599.41	N.America	Single Country	0.00%
53	Office Depot, Inc	USA	Headlines	10,263.28	N.America	Global	12.90%
54	Pinault-Printemps-Red	FRA	Diversified	9,947.64	Europe	Global	48.10%
55	The Limited, Inc	USA	Apparel	9,723.33	N.America	Single Country	0.00%
56	Loblaws Companies	CAN	Supermarket	9,563.33	N.America	Single Country	0.00%
57	Mitsukoshi Ltd	JPN	Dept Store	9,370.50	Asia	Global	N/A
58	Migros - Genossenscha	swi	Supermarkets	9,344.85	Europe	Regional	1.40%
59	Systeme U	FRA	Supermarkets	9,297.83	Europe	Single Country	0.00%

60	Meijer, Inc	USA	Hypermarkets	9,250.00	N.America	Single Country	0.00%
61	Staples, Inc	USA	Hardlines Spl	8,936.80	N.America	Global	5.40%
62	Somerfield plc	UK	Supermarkets	8,841.31	Europe	Single Country	0.00%
63	TJX Companies, Inc	USA	Apparel	8,795.34	N.America	Global	8.70%
64	Dillard's, Inc	USA	Dept Store	8,676.71	N.America	Single Country	0.00%
65	COOP Italia scarl	ITA	Supermarkets	8,256.10	Europe	Single Country	0.00%
66	SuperValu Inc	USA	Supermarkets	8,069.76	N.America	Single Country	0.00%
67	IKEA AB	SWE	Harlines Spl	8,057.28	Europe	Global	99.90%
68	Daimaru, Inc	JPN	Dept Store	8,011.86	Asia	Global	N/A
69	El Corte Ingles	SPA	Dept Store	7,618.21	Europe	Global	N/A
70	Empire Company Ltd	CAN	Supermarkets	7,580.48	N.America	Single Country	0.00%
71	H. E. Butt Grocery CO	USA	Supermarkets	7,420.00	N.America	Regional	N/A
72	Coop Schweiz	SWI	Supermarkets	7,294.64	Europe	Single Country	0.00%
73	Great Universal Store	UK	Non-Store	7,242.31	Europe	Global	16.40%
74	Dixons Group	UK	Hardlines Spl	7,027.33	Europe	Regional	18.10%
75	The Boots Company plc	UK	Drug Stores	7,000.54	Europe	Global	0.80%
76	Euromadis Spa	ITA	Supermarkets	6,901.70	Europe	Single Country	0.00%
77	ICA Group	SWE	Supermarkets	6,816.51	Europe	Regional	N/A
78	Army and Air Force Ex	USA	Diversified	6,690.67	N.America	Global	N/A
79	Cora Group	FRA	supermarkets	6,650.00	Europe	Global	26.10%
80	Saks Incorporated	USA	Dept Store	6,423.81	N.America	Single Country	0.00%
81	Galleries Lafayette	FRA	Dept Store	6,172.55	Europe	Regional	N>/A
82	Dairy Farm International	HK	Supermarkets	5,764.70	Asia	Global	N/A
83	S Group	FIN	Diversified	5,736.64	Europe	Regional	N/A
84	John Lewis Partnership	UK	Dept Store	5,458.10	Europe	Single Country	0.00%
85	La Rinascente	ITA	Dept Store	5,366.72	Europe	Single Country	0.00%
86	GIB Group, SA	BEL	Diversified	5,158.19	Europe	Global	12.90%
87	Nordstrom, Inc	USA	Dept Store	5,124.23	N.America	Single Country	0.00%
88	Marui Co Ltd	JPN	Dept Store	5,109.22	Asia	Single Country	0.00%
89	Hudson's Bay Company	CAN	Discount Store	5,024.96	N.America	Single Country	0.00%
90	Faellesforeningen Dan	DEN	Diversified	4,965.98	Europe	Single Country	0.00%
91	OfficeMax, Inc	USA	Hardlines Spl	4,842.69	N.America	Global	0.00%

92	Kesko Ltd	FIN	Supermarket	4,673.43	Europe	Regional	1.70%
93	Consolidated Stores Co	USA	Diversified	4,658.85	Americas	Single Country	0.00%
94	Venator Group, Inc	USA	Diversified	4,647.00	N.America	Global	16.90%
95	Anton Schlecker	GER	Drug Store	4,623.68	Europe	Regional	15.00%
96	Kohl's Corporation	USA	Dept Store	4,557.11	N.America	Single Country	0.00%
97	Menard, Inc	USA	Hardlines Spl	4,500.00	N.America	Single Country	0.00%
98	Vendex KBB	NET	Diversified	4,499.81	Europe	Global	11.90%
99	Matsuzakaya Co, Ltd	JPN	Dept Store	4,376.62	Asia	Global	N/A
100	Mdo Spa	ITA	Supermarket	4,229.24	Europe	Single Country	11.00%