

International Journal of Economic Research

ISSN : 0972-9380

available at http: www.serialsjournals.com

© Serials Publications Pvt. Ltd.

Volume 14 • Number 19 • 2017

Effects of Relationship Marketing in Customer Shopping Experience with Special Reference to Selected Supermarkets in Tamilnadu

Anugragha S. S.¹ and Saifil Ali M. I.²

¹Research Scholar, Sathyabama University, Faculty of Business Administration, Chennai ²Associate Dean, St. Theresa International College, Thailand, E-mail: narayananma2017@gmail.com

Abstract: With developing a number of organisations offering the extensive variety of alternative choices over the business made today's market more aggressive than any time before. The advent of LPG (Liberalization, Privatization and Globalization), the passage of multinationals urged the local shoppers to move from vendors driven the market to purchasers' driven market approach. Developing client loyalty is regularly considered as the key driver for organisations long haul reasonable marketing achievement. Generally, Relationship Marketing has risen as a standout amongst the most intense marketing apparatuses to develop customer loyalty, cooperation and long haul engagement. In present days, Organisations over the business are relying on relationship marketing to widen their piece of the overall industry by fortifying client connections and building client loyalty.

Keywords: Relationship Marketing, Loyalty, Store Loyalty, Loyalty Programmes, Customer Experience, etc.

1. INTRODUCTION

The propagation of Relationship Marketing has been a standout amongst the most stamped elements of retail marketing. The continuous enthusiasm for Relationship Marketing is a consequence of the acknowledgement that producing more business from existing customers may well be less expensive and more viable than attempting to make new clients or to win them from the rival. The studies have demonstrated that the more drawn out consumer loyal to a firm, the more they spend overall per exchange. High consistency standards upgrade organisation notoriety inside the business and among potential clients, and efficiency increases are the last consequence of enhanced employee resolve originating from more faithful clients. Moreover, satisfied clients are the best approach to produce verbal promoting.

The acknowledgement of these inalienable advantages has converted into an emphasis on relationship marketing and client loyalty programs. In Indian retailing circumstance specifically where aggressive pressures are expanding and retailers are trying to separate their offer, the act of client secure by means of Relationship

Marketing has turned out to be progressively normal (Sopanen, 1996). Others keep up that a few terms, for example, similar to loyal and commitment, are practically interesting indications of the past time and that the unwritten contract suggesting a two-path constancy between the vendor and the client are seen as invalid and void - and that client Relationship Marketing Programmes are, in this manner, a need in today's retailing condition (Shriver, 1997).

It is likewise not astonishing that organisations spend the considerable amount to gauge and deal with the levels of consumer loyalty (Sivadas and Baker-Blewitt, 2000). The hypothesis that the recognisable proof and fulfilment of client needs prompts enhanced client relationship has been the retailer's technique. Scholarly research has likewise centred around the connection between consumer loyalty and client satisfaction, and various elements have been recognised as affecting on fulfilment and loyalty. A significant number of authors have contended that service quality is a vital determinant of service loyalty, yet its correct relationship in this condition has looked after indistinct (Gremler and Brown, 1996).

Rivals pressure and shoppers request compel retailers to separate themselves uniquely in the minds of the buyers. In the past, retailers took after different ways to deal with encourage this separation from contenders. Verifiably the most conspicuous methodologies were satisfaction and the conveying of excellent service quality. A further approach that retailers could take after to unique themselves is to give a positive Customer Shopping Experience (CSE) for their customers. In this review, the communication between store's Relationship Marketing plans and CSE is investigated.

2. REVIEW OF LITERATURE

The study was based on four key ideas. These were store and client loyalty, consumer loyalty, the CSE (Customer Shopping Experience), and loyalty programmes.

There has been a huge amount of investigation into what status the idea of loyalty holds in late twentieth-century society. Terms, for example, "loyalty" and "commitment" are said to be practically interesting remnants of a past period and that the unwritten contract suggesting a two-route constancy amongst manager and worker, deals and client, government and national, is more probable seen as invalid and void (Schriver, 1997). It is suggested that the 21st century perspective of the expression "loyalty" can't be found in an indistinguishable light from at the turn of the earlier century.

Schriver (1997) proposes a few reasons why clients are less loyal today than they may have been previously. The principal factor makes driving the reduction of loyalty is a choice. Shoppers in the 1990s had a significantly bigger field of choice than any time in recent memory, bringing about lost refinements among that choice, obscured values and expanding diversion, considers that hindered the development of loyalty. The second factor was the accessibility and simple utilisation of information. Expanded product information prompted raised purchaser desires and strengthening of the purchaser, along these lines empowering correlation shopping. A third component could be named qualification: present day purchasers are profoundly individualistic, expecting that rights and choices are owed to them naturally. The long haul nature of loyalty is inconsistent with the stony soil of independence. The fourth cause is commercialization. This idea grasps in this day and age expanding quantities of messages and products are similar, leaving vital to which one could remain ardently loyal. Uncertainty is a fifth cause affecting on client loyalty and all the more particularly, monetary weakness with respect to individual and national back. Uncertainty is not

helpful for upgrading loyalty behaviour. A sixth purpose behind lessening loyalty is an absence of time Today's shopper needs to juggle with different assignments and in light of the fact that there is an excessive list of to do in the excessively short period, there is none left to exhibit genuine dedication. A counter could be raised on this point-if time is a constraining issue, then it is considerably less demanding to disparage a specific retailer or buy a specific brand. Such repetitive conduct limits the time and exertion spent on the buying choice (Schriver, 1997).

Different researchers contend that shoppers were never faithful in any case appropriate from times long past to the present (Stanton and Linneman, 1996). Loyalty is to be sure being disintegrated, yet it is the loyalty of retailers - operationalised as their absence of thoughtfulness regarding client needs and changes - which is reducing. Subsequently, when shopper satisfaction reduces, it is a direct result of the retailer not changing to address new issues, and not in view of changes in the buyer. Loyalty supposedly is non-existent and misjudged in today's condition (Stanton *et al*, 1996).

Declining loyalty, for whatever reasons, has expansive impacts for organisations and buyers alike. One reason is deserting, whereby customers surrender one organisation for another. Another firmly related impact is the debilitating of connection, as reflected by purchasers' declining satisfaction towards many structures and establishments. Client protestations increment as loyalty weakens and clients' confidence in organisations has dived. From a financial perspective, clients have progressed toward becoming progressively value delicate (Schriver, 1997).

The decrease in loyalty over the previous decades has shown, to some degree amusingly, the seeds of its conceivable bounce back. The very loss of loyalty is making individuals turn out to be more delicate and caution to its significance, notwithstanding prompting a re-assessment of society's social texture (Schriver, 1997). Those components which were available before the scattering of loyalty (reinforced family and group ties for instance) are becoming progressively more grounded once more, and could well Messenger the arrival of loyalty when all is said in done.

2.1. Customer Loyalty

Customer loyalty has been characterised in a few ways. Dwyer, Schurr and Oh (1987) characterise customer loyalty as the virtual rejection of other trade accomplices that can give similar advantages. As indicated by this definition, loyalty is measured as far as the degree to which customers stay faithful to a specific provider. Different measures of customer loyalty that have been utilised incorporate the number of repeated purchase and that piece of a classification spending that a customer goes through with a specific organisation. Be that as it may, it has been contended that these definitions disregard the variables that clarify customer loyalty (Morgan and Hunt, 1994). A more far-reaching definition originates from the work of De Wulf and Van Kennove (1995) namely, customer satisfaction is customer behavior characterized by a positive purchasing design amid a broadened period (measured by methods for repeated buys, recurrence of buys, offer of wallet or different pointers) and driven by an uplifting state of mind towards the organization and its product and service. The loyal customer behaviour is shown by busy having a tendency to be focused on one or a set number of stores (Jarvis and Wilcox, 1977).

Shopper satisfaction in the retailing business might be grouped into different classifications (Sparks, 1996; So skillet en, 1996). Sopanen's first grouping is syndication loyalty, which exists when there is no

option decision accessible to the purchaser. It is accordingly a sort of upheld loyalty. The second is that of idleness loyalty, additionally called from-compel of-propensity loyalty, which is a grouping likewise utilised by Sparks. It includes customers not effectively searching out any options. There might be many purposes behind this "why trouble" loyalty – an absence of data, ponder or not, or maybe there is no noteworthy reason which would incite searching out options. A third classification identifies with comfort loyalty. This consolidates components, for example, the helpful area of a favoured store, or the accessibility of a kids' play area at the retailer. Value loyalty is Sopanen's fourth class, where customers put most accentuation on securing low costs. Boosted loyalty, thus, depends on compensating customer loyalty programmes (focuses mean prizes). Loyalty is cultivated by customers relinquishing conceivable prizes when they switch retailers. Enthusiastic loyalty is the last class, and it depends on a nonsensical judgment of a retailer or store and is showed in expressions, for example, "I despise Sainsbury's". Sopanen trusts this is the main class where genuine loyalty exists the extent that the word's unique definition is concerned (1996).

Reece (1997) proposed five distinctive key levels of loyalty. The most minimal level is that of the switcher or value purchase. This customer sees most choices nearby to be satisfactory and the relationship history assumes a low part in the buy or support choice. At this level, customers feel that the provider has not done anything specifically to gain their loyalty. The second level incorporates those customers who are fulfilled to the point that there is no prompt main impetus for change, particularly since such a change includes some exertion. Such shoppers are portrayed by being difficult to reach and they have a tendency to stay with their present suppliers. The third gathering is alluded to as the individuals who are exchanging taken a toll loyal. They append huge dangers to changes, for example, putting the time in choosing another provider. The fourth gathering comprises of customers who esteem the association with the provider and who have a passionate connection to the provider. The fifth or top gatherings are those loyal customers who might promptly prescribe the provider to others. Reece (1997:1) notices that these levels at times exist in unadulterated shape and that customers generally display a mix of these qualities. For instance, customers may keep on purchasing a particular item from a specific provider despite the fact that they might be disappointed.

2.2. Customer Shopping Experience

In endeavours to separate themselves and to draw in and hold clients, retailers actualize loyalty programmes. These plans have encountered fluctuating degrees of achievement and there seems, by all accounts, to be a split between the goal and the truth of dedication plans, particularly in certain retail segments, for example, the FMCG retail area (Egan, 1999). Low obtaining and exchanging costs in the FMCG retail segment make it hard to execute gainful loyalty plans. Over the time it additionally turned out to be evident that numerous loyalty plans, since it is workable for the rivalry to imitate them, offered a minimal differential favourable position. In spite of the fact that it has been recommended that client loyalty plans ought to just be viewed as one device of a beneficial retail business, numerous retailers viewed these plans as the answer for the majority of their client service issues (Sopanen, 1996).

A moment the choice accessible to retailers to separate them is to convey extraordinary service quality as a major aspect of their retailing system. The marketing literature of the previous decade contains many pages dedicated to service quality, particularly to SERVQUAL, the instrument created to quantify benefit quality (Parasuraman, Zeithaml and Berry, 1988). The vast majority of the reviews utilising or evaluating

Effects of Relationship Marketing in Customer Shopping Experience with Special Reference to Selected...

the SERVQUAL instrument were executed in genuinely "immaculate" services settings. Since a retail location encounter includes exercises, for example, perusing, value examinations, scan for stock, assessing item assortment and quality and collaboration with store workforce, the SERVQUAL instrument in its unique shape is not reasonable to catch the remarkable mix of stock and service that involves a retailing knowledge. Dabholkar, Thorpe and Rentz (1996) propose an instrument in light of SERVQUAL, which they recommend, would quantify benefit quality in a retailing domain. This instrument likewise catches, aside from the regular measurements that are probably going to be shared by unadulterated service conditions and retail situations, extra measurements of retail service quality one of a kind to the retail condition. The improvement of the instrument was advocated in light of the fact that present measures of service quality don't sufficiently catch clients' impression of service quality for retail locations (i.e. stores that offer a blend of merchandise and ventures). Bolster for this view develop among others from the discoveries of Finn and Sheep (1991) who tried SERVQUAL in four unique sorts of retail stores and were not able to locate a solid match to the five-figure structure. They reasoned that without change, SERVQUAL couldn't be utilised as a substantial measure of service quality in a retail setting. In spite of the fact that the Dabholkar, Thorpe and Rentz consider added to a more prominent comprehension of service quality in certain retail locations, it was condemned, in addition to other things, since it fails to explore the connection between client impression of the nature of the items a retailer conveys, and client view of the service quality given by the retailer (Finn and Kayande, 1997).

Kerin, Jain and Howard revealed before on the significance of saw store shopping background to clarify how clients see the stock quality and costs and at last esteem impression of a store (1992). Store shopping knowledge was characterised as the result of a client's collaboration with a store's physical environment, individual connection and client related approaches and practices (Kerin, Jain and Howard, 1992). This perspective introduces a third other option to retailers by methods for which they can separate themselves, specifically by giving a positive aggregate retail (shopping) background for their customers. This again brings up some unanswered issues. Ought agreeable to clients with the nature of the service that they get and other retailing exercises are measured and overseen as independent elements? Would it not be ideal, from an estimation and service point of view, to build up an instrument that catches every one of the measurements of a shopping background that could be controlled by a retailer? The dispute is that in a retail domain where a blend of products and service is offered, the approach ought to ideally be more exhaustive and the concentrate ought to rather be in the service of the controllable components of the aggregate retail understanding, instead of a point of view confined to the service of say, service quality as it was. At the point when considered along these lines benefit quality is, for example, just a segment of the customer's aggregate retailing background, as are different segments. In the event that just a single segment of the aggregate retailing background is considered at once, it might be hindering to our comprehension of clients' encounters and this thus could prompt procedures that either over-accentuate or overlook the significance of at least one of such parts.

2.3. The Components of the Customer Shopping Experience

Berman and Evans (1998) characterise add up to retail understanding as every one of the components that energise or restrain buyers amid their contact with a retailer. The Retail Experience is impacted by two gatherings of parts. The primary gathering comprises of the non-controllable segments. These incorporate

viewpoints, for example, the sufficiency of parking, timing of conveyances from providers and expenses, all of which are not controllable specifically by the retailer or in regard of which a retailer has restricted control. The controllable parts, thusly, comprised of an assortment of components that the retailer can control, for example, the number of salespersons on the floor, assortment of brands conveyed and stock close by. In this review, the accentuation is on the controllable components of the retail experience. In the retailing study, store loyalty is most every now and again identified with store image (Dick and Basu, 1994). The idea is that a good store image prompts store loyalty (Hirschman, 1981). Store image, thus, has been portrayed as comprising of the accompanying three general elements: stock related viewpoints, benefit related perspectives and agreeableness of shopping at a store (Mazursky and Jacoby, 1986). The Retail Experience embodies each of the three of these components and a positive Retail Experience ought to, in this way, prompt store loyalty that ought to be troublesome for the rivalry to imitate. Retail Experience moreover not just takes care of the exchange on the shop floor; it additionally goes to pre-and post-exchange exercises; all of which ought to upgrade store loyalty.

The retail studies propose that the measurements of the controllable parts might be assembled under six measurements. These six measurements might be portrayed as:

- o Service quality
- o Product quality
- o Product assortment and variety
- o Internal Store Environment
- o Product costs
- o Store strategy

3. RESEARCH METHODOLOGY

The customers of the selected supermarkets in four emerging cities of Tamilnadu were taken for the study. The questionnaires were sent, together with the loyalty program's flyers, to the 500 individuals who were haphazardly chosen for consideration in the study. A gift voucher was given to build a number of reactions. The gift voucher was markdown coupon for a returned and completely finished survey. Once a part finished, she/he needed to hand it in at his/her closest grocery store said. The market store thusly, the questionnaires were collected by the analyst, where they were gathered and sent for readiness for factual examination. Convenience surveys were executed and were not subjected to measurable examination. Information collection was finished by hand. The information was analysed utilising SPSS Programming 21.0.

- ✤ Data were independently caught on Microsoft Excel
- The information sheet was then superimposed with the guide of a program SPSS 21.0 to recognise every single conceivable contrast between sets of information.
- The procedure of Software information confirmation guaranteed the exactness of the information utilised for examination.

Effects of Relationship Marketing in Customer Shopping Experience with Special Reference to Selected...

4. RESULT AND DISCUSSION

4.1. One-way Anova

Customer Shopping Experience		Sum of Squares	df	Mean Square	F	Sig
Service Quality	Between Groups	128.482	2	64.741	5.317	0.005
	Within Groups	11323.460	488	12.177		
	Total	11451.942	500			
Product Quality	Between Groups	486.570	2	248.285	4.987	.007
	Within Groups	46312.353	488	49.789		
	Total	46798.923	500			
Product assortment and variety	Between Groups	227.094	2	114.047	5.538	.004
	Within Groups	19151.736	488	20.594		
	Total	19378.830	500			
Customer Shopping Experience		Sum of Squares	df	Mean Square	F	Sig
Internal Store Environment	Between Groups	690.938	2	345.969	5.984	.003
	Within Groups	53767.325	488	57.815		
	Total	54458.264	500			
Product Cost	Between Groups	204.718	2	102.359	2.910	.050
	Within Groups	32716.761	488	35.179		
	Total	32921.479	500			
Store Strategy	Between Groups	386.373	2	193.186	4.045	.018
	Within Groups	44417.827	488	47.761		
	-					

Table 1.1 above depicts the result of the One-way ANOVA test between Customer Shopping Experience and Service Quality, Product Quality, Product Assortment and Variety, Internal Store Environment, Product Cost and Store Strategy. Customer Shopping Experience being the dependent variable, Service Quality, Product Quality, Product Assortment and Variety, Internal Store Environment, Product Cost and Store Strategy are being the independent variable. The figures arrived at the above table shows that there is significance in Customer Shopping Experience with regard to Service Quality, Product Quality, Product Assortment and Store Strategy at 1% level. Also, the above table shows that there is significance in Customer Shopping Experience with regard to product cost at 5% level.

CONCLUSION

In the assessment of the relationship between Shopping Experience and client satisfaction, it was set up that every one of the five measurements of Shopping Experience affects emphatically on consumer loyalty. A similar conclusion applies to the connection between Shopping Experience and client loyalty. In both

examples, more than 50% of the variety in both consumer loyalty and client satisfaction are represented by the six measurements of the Shopping experience. The discoveries infer that if the retailer would wish to improve consumer loyalty, its concentration ought to as a matter of first importance be on upgrading the nature of the individual collaboration between its staff and clients. Then again, be that as it may, it was found that client loyalty is dominatingly determined by item related issues, for example, stock esteem and stock assortment. In any case, take note of that endeavours that enhance any of the five measurements would enhance both consumer loyalty and client satisfaction.

The shifting significance of the particular Shopping Background measurements to both consumer loyalty and client satisfaction enable the retailer to recognise the main impetuses behind each of these ideas and take into account organising procedures to improve client satisfaction and loyalty inside their customer base. By examining the reactions to the individual things that measure each of the Shopping experience measurements as they showed up in the questionnaire, this review empowers the retailer to concentrate on extremely express perspectives that impact each measurement of the Shopping Experience. In general, it must be noticed that respondents had positive feedback at the retailer, which furnishes retailer with a helpful pointer of current client satisfaction and loyalty levels and a state of examination in deciding the effect of the methodologies utilised to elevate client satisfaction and loyalty.

REFERENCES

- Anderson, E. W., Fornell, C. and Lehmann, D. R. (1994). 'Customer satisfaction, market share and profitability: Findings from Sweden', *Journal of Marketing*, Vol. 58 No. 3, pp. 53-66.
- Anthanassopoulos, A. D. (2000). 'Customer satisfaction cues to support market segmentation and explain switching behaviour', *Journal of Business Research*, Vol.47 No.3, pp.191-207.
- Assael, H. (1995). 'Consumer behaviour and marketing action', Cincinatti: South Western College.
- Bearden, W.O. and Etzel, M.J. (1982). 'Reference group influence on product and brand decisions', *Journal of Consumer Research*, Vol.2 No.2, pp.183-194.
- Bennett, P.D. and Kassarijanan, H. H. (1972). 'Consumer behaviour', Englewood Cliffs: Prentice-Hall.
- Berman, B. and Evans, J. R. (1998). 'Retail management', Upper Saddle River: Prentice Hall.
- Christopher, M., Payne, A. and Ballantyne, D. (1991). 'Relationship Marketing', Oxford: Butterworth Heineman.
- Christopher, M., Payne, A. and Ballantyne, D. (1993). *Relationship marketing: Bringing quality, customer service and marketing together'*, Oxford: Butterworth-Heinemann.
- Dwyer, E.R., Schurr, P.H. and Oh, S. (1987). 'Developing buyer-seller relationships', *Journal of Marketing*, Vol.21 No.4, pp.11-27.
- East, R. (1997). 'Consumer behaviour: Advances and applications in marketing', London: Prentice Hall.
- East, R., Hammond, K., Harris, P. and Lomax, W. (2000). 'First-store loyalty and retention', *Journal of Marketing Management*, pp.307-325.
- Gremler, D.D. and Brown, S.W. (1996). 'Service loyalty: its nature, importance, and implications'. In Edvardsson, B. et al. (Eds), Advancing service quality: A global perspective. International Service Quality Association, pp.171-80.
- Gronroos, C. C. (1994). 'From marketing mix to relationship marketing: towards a paradigm shift in marketing', *Management Decision*, Vol.32 No.2, pp. 4-20.
- Jones, T.O. and Sasser, W.E. Jr. (1995). 'Why satisfied customers defect', *Harvard Business Review*, November-December, pp.88-99.

Effects of Relationship Marketing in Customer Shopping Experience with Special Reference to Selected...

- Kerin, R. A., Jain, A. and Howard, D. J. (1992). 'Store shopping experience and consumer price-quality-value perceptions', *Journal of Retailing*, Vol.68(Winter). pp.376-397.
- Mazursky, D. and Jacoby, J. (1985). 'Forming impressions of merchandise and service quality', In J. Jacoby and J. Olsen (Eds), '*Perceived quality: How consumers view stores and merchandise*'. Lexington, M.A.: Lexington Books.
- Morgan, R.M. & Hunt, S.D. (1994). 'The commitment-trust theory of relationship marketing', *Journal of Marketing*, Vol.58 No.7, pp. 20-38.
- Selin, S.W., Howard, D.R., Udd, E. and Cable, T.T. (1988). 'An analysis of customer loyalty to municipal recreation programs', *Leisure Science*, pp. 217-223.
- Van Waterschoot, W. and Van den Bulte, C. (1992). "The 4P classification of the marketing mix revisited", Journal of Marketing, Vol. 56 No.10. pp.83-93.
- Vavra, T. G. (1992). 'After marketing: how to keep customers for life through relationship marketing', Homewood: Business One Irvin.
- Zimmer, M.R. and Golden, L.L. (1988). 'Impressions of retail stores: a content analysis of consumer images', *Journal of Retailing*, Vol.64 No.3, pp. 265-287.