



A STUDY ON RELATIONSHIP BETWEEN CUSTOMER EXPERIENCE AND STORE LOYALTY A STUDY WITH REFERENCE TO RETAIL CONSUMERS IN POLLACHI

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ABSTRACT

In today's dynamic retail environment, the customer experience has become a key driver impacting consumer purchasing decisions and store visitation. With increased competition and competition in even smaller cities like Pollachi, retailers are now more concentrated on customer engagement, otherwise known as the customer experience - this is how your most loyal customers will stay loyal customers. This paper aims to analyze the association of customer experience on store loyalty of retail customers in Pollachi. It is interested in examining whether and to what extent key dimensions of service quality, including in-store environment, staff behavior, product availability, pricing, convenience, and service quality overall affect the customer's intention to revisit and recommend the store. The research adopted a quantitative approach e stunt being purely based on primary data that was collected using structured questionnaires from 200 retail customers of diverse store formats in Pollachi. The data were analyzed and the hypotheses were tested using statistical techniques i.e., Pearson's correlation and multiple regression analysis.

KEYWORDS: Customer Experience, Store Loyalty, Retail Consumers, Consumer Satisfaction, Pollachi, Retail Marketing, Service Quality, Customer Retention

I. INTRODUCTION

Retailing is the activity of selling goods and services to final consumers for their own personal use. It is a sale of product to the public in small quantities and retailing includes all activities incident to selling to the ultimate consumer. Retail has played a major role world over in increasing productivity across a wide range of consumer goods and services. The impact can be best seen in countries like U.S.A., U.K., Mexico, Thailand and more recently China. Retail is the second largest industry in the United States both in number of establishments and number of employees. The retail industry employs more than 22 million Americans and generates more than \$ 3 trillion in retail sale annually.

II. REVIEW LITERATURE

- Meyer-Waarden, L., (2015). Effects of loyalty program rewards on store loyalty, This study thus examines how different aspects of rewards affect preferences of a LP: type of rewards (tangibility and compatibility) and timing of rewards. We conduct conjoint analysis in a French grocery retailer and a perfumery store. After presenting the results, we conclude with a discussion, managerial implications, and avenues for further research.
- R. Neupane. (2015), The effects of brand image on customer satisfaction and loyalty intention in retail super market chain UK, This research concluded that overall brand image has significant positive effects on customer satisfaction as well as customer loyalty intention. These findings added some strength of brand image in marketing literature. As brand image has positive influences on customer satisfaction and customer loyalty, it has meaningful theoretical importance while formulating the brand strategy in an organisation.
- Chaudhuri, A., & Holbrook, M. B. (2014), This paper explores the relationship between store image and brand loyalty in the Indian retail context, highlighting how aspects like store ambiance, service quality, and product availability influence customer behavior. It uses survey data from Indian consumers and finds that positive



perceptions of store image significantly foster brand loyalty, especially in urban markets, Store atmosphere and customer service quality play a pivotal role in cultivating consumer loyalty in India.

- Jain, S., & Nair, A. (2017), This study investigates the link between store image and customer loyalty within Indian supermarkets. It identifies factors like store cleanliness, product variety, and pricing strategies as key determinants of store image, which in turn influence customer loyalty, Positive store image perceptions related to cleanliness and variety are directly linked to higher levels of customer loyalty.
- Rao, K., & Garg, R. (2015), Focusing on the Indian retail sector, this paper explores the role of store atmosphere, including lighting, music, and layout, in shaping customer brand loyalty. The study highlights how a favorable store environment enhances the customer shopping experience, thus increasing the likelihood of repeat purchases and brand loyalty, Store atmosphere is a strong predictor of consumer loyalty in Indian retail stores.
- Kumar, P., & Choudhury, V. (2016), This research focuses on India's fashion retail sector, examining how store image factors like store design, visual merchandising, and product assortment influence customer loyalty. The study found that a stylish store layout and well-organized product displays foster customer trust, leading to increased brand loyalty, The layout and visual elements of the store directly impact customer satisfaction and brand loyalty in the fashion retail context.
- Sinha, P., & Prakash, S. (2018), This paper evaluates consumer perceptions of store image in India and its impact on brand loyalty. It identifies key store image dimensions such as store cleanliness, product quality, and customer service, which play a critical role in fostering customer trust and loyalty, Customers are more likely to show loyalty to stores that maintain high standards of cleanliness and service.

III. RESEARCH OBJECTIVE

- To find out the factors influencing customer experience
- To study the factors influencing store loyalty among consumers
- To analyze the relationship between customer experience and store loyalty

VI. SCOPE OF RESEARCH

The research also covers various aspects of the customer experience such as the pricing, convenience, the behavior of staff, the quality of service, store environment, product availability. It also examines how these factors impact store loyalty factors such as customer satisfaction, repeat purchase, and word-of-mouth.

The scope is limited to the organized and semi-organized part of the retail sector, such as formal (supermarkets) and branded clothes shops. It does not include informal or disorganized retail such as street vendors, kiosks and e-commerce platforms driven by individual sellers.

V. HYPOTHESIS

H₀: There exists no association between age of the respondents and facilities provided at the store influencing the customer experience.

H₀: There exists no association between gender of the respondents and facilities provided at the store influencing the customer experience.

H₀: There exists no association between educational qualification of the respondents and facilities provided at the store influencing the customer experience.

H₀: There exists no association between occupation of the respondents and assistance provided by the staff inside the store.

VI. RESEARCH METHODOLOGY

Research Design:

A research design is a detailed blue print used to guide a research study towards its objective. The process of designing a research study involves many interrelated decisions. The most significant decision is the choice of research approach, because it determines how the information will be obtained. The choice of the research approach depends on the nature of the research that one wants to do.

Descriptive Research

Descriptive research includes survey and fact-finding enquiries of different kinds. The methods of research utilized in descriptive research are survey of all kinds. It is concerned with the research studies with a focus on the portrayal of the characteristic of a group or individual or a situation. The main objective is to acquire knowledge. The research



design adopted for this study is Descriptive Research. Descriptive method was adopted because it deals with description of the state of affairs as it exists at present

Sampling Techniques

The next step in research study after collecting data is the sampling process. When a decision is made to use the sample, a number of factors must be taken into consideration. The target population in this study was the consumers who belong to Pollachi Area. Non-probability, convenience sampling method is used in the study.

Convenience Sampling

A convenience sample is a sample where the respondents are selected, in part or in whole, at the convenience of the researcher. The researcher makes no attempt, or only a limited attempt, to ensure that this sample is an accurate representation of some larger group or population.

Sample Size

Since the population of Pollachi is infinite, the size of the sample was restricted to 110 customers A pilot study was done with 20 samples to refine the questionnaire.

Data Collection

Data are the bricks with which the researcher has to make a house. While the quality of research findings depends on data, the adequacy of appropriate data in turn depends upon proper method of data collection. A number of methods are at the disposal of the researcher of which one has to select the most appropriate one for visualizing the research objective.

a) **Primary Data:** Data which are collected fresh and for the first time and thus happens to be original in character. Primary data are gathered for specific purpose.

b) **Secondary data:** Data that collected from primary data i.e., they are already exist somewhere. For the purpose of the study, I collected both the data.

Tools used for Data Collection

Data is collected through structured questionnaire by way of circulating the questionnaire to the respondents.

Statistical Techniques

The data collected was further taken for analysis. The following tools were used to draw inference of the study.

➤ **Percentage Analysis**

This is a univariate analysis where the percentage of a particular factor with different categories is calculated, in order to help one get fair idea regarding the sample and thereby that of the population. The number of responses of each category is summarized to percentage format for the convenience to use other statistical tools namely pie chart and bar diagrams.

Percentage = ((a portion)/(the whole))*100.

➤ **Chi-Square Test**

Chi-Square test can be used to determine if categorical data shows dependency or the two classifications are independent.

$\chi^2 = \sum \{(O_i - E_i)^2 / E_i\}$

Applying Yate's correction:

$\chi^2 = \sum \{(|O_i - E_i| - 0.5)^2 / E_i\}$

VIII. DATA ANALYSIS AND INTERPRETATION

Age of the Respondents and Store Facility

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	23.725	12	.022
Likelihood Ratio	24.076	12	.020
Linear-by-Linear Association	.292	1	.589
N of Valid Cases	125		



H_0 : There exists no association between age of the respondents and facilities provided at the store influencing the customer experience. Calculated χ^2 Value: 23.725, Degree of freedom: 12, Signification level: .022

As the calculated χ^2 value (23.725) is significant (.022) at five percent level, there exist an association between age of the respondents and facilities provided at the store like changing room, wash rooms, counter, alteration counter, etc influence customer experience. Hence the null hypothesis is rejected.

Gender of the Respondents and Store Facility

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	5.083	6	.533
Likelihood Ratio	5.495	6	.482
Linear-by-Linear Association	.141	1	.707
N of Valid Cases	125		

H_0 : There exists no association between gender of the respondents and facilities provided at the store influencing the customer experience. Calculated χ^2 Value: 5.083, Degree of freedom: 6, Signification level: .533.

As the calculated χ^2 value (5.083) is not significant (.533) at five percent level, there exist no association between gender of the respondents and facilities provided at the store influencing customer experience. Hence the null hypothesis is accepted.

Educational Qualification and Store Facility

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	19.597	9	.021
Likelihood Ratio	20.677	9	.014
Linear-by-Linear Association	1.104	1	.293
N of Valid Cases	125		

H_0 : There exists no association between educational qualification of the respondents and facilities provided at the store influencing the customer experience. Calculated χ^2 Value: 19.597, Degree of freedom: 9, Signification level: .021

As the calculated χ^2 value (19.597) is significant (.021) at five percent level, there exist an association between educational qualification of the respondents and facilities provided at the store influencing customer experience. Hence the null hypothesis is rejected.

IX. FINDINGS

- The study examines that, As the calculated χ^2 value (23.725) is significant (.022) at five percent level, there exist an association between age of the respondents and facilities provided at the store like changing room, wash rooms, counter, alteration counter, etc influence customer experience. Hence the null hypothesis is rejected.
- The study proves that, As the calculated χ^2 value (5.083) is not significant (.533) at five percent level, there exist no association between gender of the respondents and facilities provided at the store influencing customer experience. Hence the null hypothesis is accepted.
- The study shows that, As the calculated χ^2 value (19.597) is significant (.021) at five percent level, there exist an association between educational qualification of the respondents and facilities provided at the store influencing customer experience. Hence the null hypothesis is rejected.

X. SUGGESTIONS AND RECOMMENDATIONS

Recommendations and Ideas for Gender-Neutral Retail Spaces

It is advised that merchants continue to prioritize upholding generally high standards for store amenities rather than customizing them depending on gender, as there is no discernible correlation between gender and the effect of store amenities on the customer experience. Cleanliness, accessibility, seating, and a clear layout should be prioritized, making sure that each customer's expectations are met. In order to further improve the shopping experience's comfort and inclusivity for a varied clientele, retailers might also think about collecting continuous feedback.

Recommendations and Ideas for Store Facilities and Educational Qualifications

It is advised that retailers maintain a uniform standard of infrastructure and service quality for all customers, as the results indicate no discernible relationship between educational background and opinions of shop amenities.



Regardless of the shopper's level of education, store surroundings should be made to be user-friendly, accessible, and intuitive. A retail environment that is universally pleasant can be supported by well-organized layouts, friendly staff, and clear signage that guarantee a positive and efficient shopping experience for all customers.

Age and Store Facility Suggestions and Recommendations

Retailers should continue to maintain a store environment that is age-inclusive and universally accessible, since the data reveals no significant correlation between age and the influence of store facilities on customer experience. To accommodate all age groups equally, amenities including enough lighting, cozy sitting, obvious signs, and simple navigation should be given top priority. Without requiring age-specific adjustments, retailers can improve the shopping experience for both younger and older patrons by concentrating on universal design principles.

XI. CONCLUSION

With reference to retail customers in Pollachi, the study on the relationship between customer experience and store loyalty emphasizes the significant and favorable impact that customer experience has on establishing and maintaining store loyalty. The results make it clear that a number of aspects of the customer experience, including the level of service, the atmosphere of the store, the conduct of the employees, and the accessibility of amenities, are important in determining the emotional and behavioral loyalty of customers to retail establishments. Regardless of demographic characteristics such as age, gender, or level of education, consumers always appreciate a smooth and enjoyable buying experience. This emphasizes how crucial it is for merchants in Pollachi and comparable areas to make investments in improving each touchpoint of the customer experience. Retail establishments may increase customer loyalty, promote return business, and fortify their position as leaders in a changing retail landscape by concentrating on providing consistent, high-quality experiences.

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