

THEORETICAL STUDY ON IMPACT OF RETAILERS ON CUSTOMER SATISFACTION

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Abstract:

Fashion gives people an opportunity to satisfy many emotional and practical needs. Fashion can be used to communicate with other, develop their own identity and to gain acceptance from other. This study was conducted in the Gant Stores around metropolitan area in March 2008 and the intention was to find out what customers think about the appearance, products and service of Gant Stores. Gant is a premium life style brand for men and women. Business success in today's competitive markets requires a high understanding and respect of the customer. Customers are demanding, have more money to spend and have a wide collection of goods and services to choose from.

Introduction:

Distributing consumer products begins with the manufacturer and ends with the ultimate consumer. Between the two there is usually at least one middleman - a retailer. In the distribution channel the last middleman is a retailer. He is also the last link between the producer and the consumer. The retailer is directly in contact with the ultimate buyer. It is believed that the retailer may generally influence consumer brand choice by exaggerating the band/product attributes of a specific brand, specifically in case of not so popular brands. In other words, the retailer may support some brand or disfavor some depending upon his own relationship with the brand market, or the margin available from the specific brand concerned. When the retailer supports a brand the possibility of success of that brand is high, unless the brand itself is of inferior quality.

It is not always possible to deal directly with the consumers for a manufacturer. Retailers purchase on behalf of their customers. Retailers are sales specialists for the suppliers. They provide various financial services both for the suppliers and the customers. The retailers buy in bulk and sell in smaller lots. They store the goods and sell them to end users for consumption and usage.

Retailers are classified on the basis of their size, product lines handled, ownership pattern and operational methods used. According to Mohammad Amantullah "there are certain methods by which retailers may earn profits. The following principles help the retailers to get profits.

- A. Better Buying
- B. Better Selling
- C. Better store operation
- D. Effective sales promotion

Joel R.Evans and Barry Berman stated in their book that the retailers perform four distinct functions. They participate in the sorting process by collecting an assortment of goods and services from a wide variety of suppliers and offering them for sale; width and

depth of assortment depend on the individual retailers strategy. They provide information to consumers through advertising, displays and signs and sales personnel; marketing research support is given to other channel members. They store merchandise, mark price on it, place items on the selling floor, and complete transactions by using appropriate store locations provide, credit facilities and other services like delivery, etc. Collect product assortments and offer them for sale. Retailers provide information, Store merchandise, Mark Price and Pay for goods. Conclude transactions with final consumers. The retailers provide feedback to the suppliers and give advice to their customers. They give the consumers a wide assortment of goods and services by buying from different suppliers.

In today's economy most manufacturers sell their products through a host of marketing intermediaries performing a variety of functions and bearing a variety of names. The various agencies involved in performing these functions are called channel members. Marketing channels reduce the consumer's search, waiting time, storage and other costs by lessening their involvement. After the Second World War Industrial revolution caused sweeping changes in the distribution strategies of many organizations. Marketing channels are used where the products are frequently purchased in small quantities and the consumers are very scattered over very large area. Channel design is also affected by the characteristics of middleman who are available. A creative and well-executed marketing channel provides some of the more potent means by which manufacturer enhance their ability to compete domestically and internationally.

It is important to establish clarity and a shared understanding of 'brands', and the process involved in building a brand. A brand is a mixture of tangible and intangible benefits, which if properly managed, can create value and lead to preferential choice, not only from customers but also from other key stakeholders (employees, investors, partners). Building a strong brand is a complex task. It is about creating value through the provision of a compelling and consistent customer experience that satisfies customers and keeps them coming back. When a company creates this type of preferential choice and loyalty, it can build a strong market share, maintain good price levels and generate strong cash flows. Building a brand starts with a clearly defined and persuasive value proposition - a compelling offer that appeals to potential customers. To do this, a company must develop a strong understanding of who their potential customers are, what they value, and how the products, services and internal resources should be optimized or configured to deliver this value.

Furthermore, the company must develop the appropriate capabilities and resources (staff, culture, skills, infrastructure, partnerships, etc.), which must be built and aligned to support, deliver and reinforce this value proposition. Once this has been established, the next step is to get customers to choose the brand. To entice trial requires triggering mechanisms, which are created through advertising, promotion, selling, public relations, direct marketing and word-of-mouth. Enticing customers to purchase again and adopt the brand not only requires a successful trial experience, but also enhanced customer interaction through relationship building. Building relationships with customers focuses on establishing a long-term, multi-transaction relationship, where each party trusts the other to deal fairly and reliably. Over time, this process enables an exchange of information, providing further insight into customers' needs and wants. Managing this information can be a key source of competitive advantage, allowing companies to learn from their customers. In this way, companies can increase buyers' satisfaction, making them less likely to switch to competitors.

Through the combination of the stimulus of consistent communications, relationship building and satisfactory usage and experience, brand awareness, conviction and loyalty are

built. This process is also true for online brands, however the online environment and brand-building tools are different and must be understood. The length and number of channel members varies from product to product, situation to situation and organization to organization. The classification of the channel of distribution can be done based on the length or the number of middleman involved in moving the products from manufacturer to consumers. Channel design should begin with the final consumer and work backward to the manufacturer and the finally selected channel must be totally appropriate to the basic objectives of the organizations marketing programme. They also say that the channel structure must be flexible enough so that the use of one channel design doesn't results in closure of doors for other designs.

Consumers in India are not properly organised. A very few consumers are aware of their rights. Consumers in India have remained unprotected due to ignorance, non-price consciousness and irrational behaviour. Lacks of education and irrational thinking have contributed to the present state of affairs of the consumers in India. Mere laws are not sufficient to protect the consumers. The consumers are required to build strong associations and exert their rights. Consumers demand of a good or service is dependent upon whether the consumers will to buy the same at varying prices is there or not. We shall see that consumer demand can be derived from the foregoing theory of consumer behaviour. First we must think of money as a 'good' or represent "all other goods" in explaining the demand for X. As such money is subject to the diminishing marginal utility i.e., the more money owned, the less its marginal utility- just as with belts, steaks and so on.

In a vast country like India characterised by marked inter-regional differences in physical, climatic, socio-economic and cultural features which may, in no small measure, lead to perceptible region-to-region variations in the consumer behaviour, the inter-regional homogeneity assumption may not be realistic. Marketing generally does not represent unique theory or application. Rather, marketing, particularly social marketing is an overall approach to large-scale behaviour change. Important marketing strategies that need to be incorporated into any program include studies of consumer behavior, needs assessment, market segmentation, approaches, selection of communication modalities, and information feedback systems. Consumer behaviour is another overreaching, interdisciplinary field that integrates work from psychology, communications, economics, marketing, and law.

Efficient Management is a prerequisite to an industrial affluence and marketing. Therefore, marketing should have priority in management decisions and be a major element for all production and manufacturing operations. The consumer market is fast increasing which requires a large network of channel distribution. The social changes such as small families, late marriages are some other factors that are necessitating more middleman. The need for supplying products as nearer to the consumer as possible is assuming greater significance because of increased number of workingwomen and more urbanization. Even the rural consumers are attracted more towards convenience products due to the advertising boom, which is also causing increased workload on the distribution channel system.

Latest improvements in communication technology are facilitating electronic data storing and exchange among the channel members. New methods of transport, freight handling and coordinated methods of transporting have produced a number of new model combinations including containers on ships, which did not exist earlier. The computer revolution has made possible new managerial models vital to the successful management of logistics and other marketing activities. With centralised buying organisations, growth in

market coverage and turn over, retailers have become gateways to the consumer markets. Therefore, knowledge about retailers has become important.

Understanding the consumer's needs, wants and buying behaviour is at the heart of delivering successful products to the market place and it's the prime job of retailers. The retailer is directly in contact with the ultimate buyer. It is believed that the retailer may generally influence consumer brand choice by exaggerating the brand/product attributes of a specific brand, specifically in case of not so popular brands. In other words, the retailer may support some brand or disfavour some depending upon his own relationship with the brand market, or the margin available from the specific brand concerned. When the retailer supports a brand the possibility of success of that brand is high, unless the brand itself is of inferior quality.

Shekhar opined "Information pertaining to various areas like consumer needs, market segments, competitions, diversification, distribution structure, sales forecast, price changes and promotional needs is expected to be provided by the marketing information system. The marketing planning exercise begins with identifying the marketing environment, which in turn implies an understanding of the factors influencing the demand for present and prospective product. The environmental variables include economic, technological, political, legal, social and culture factors. The information on these help producers to bring out appropriate responses. Marketing of the relevant consumer segments, which in turn may give a competitive edge to an organisation.

Marketers try to satisfy consumer needs, but the reasons any product is purchased can vary widely. The identification of consumer motives is an important step towards ensuring that the appropriate needs will meet by a product. Market segmentation is an important aspect of consumer behaviour. Consumers can be categorized using many criteria, including product usage, demographics (the objective aspects of a population, such as age and sex) and psychographics (psychological and lifestyle characteristics). Emerging developments, such as the new emphasis on relationship marketing and the practice of database marketing, mean that marketers are much more attuned to the wants and needs of different consumer groups.

Traditional approaches to consumer behaviour have focused on the abilities of products to satisfy rational needs (utilitarian motives), but hedonic motives (such as the needs for exploration or fun) also play a role in many purchase decisions. One of the key elements of channel design is figuring out how many sales outlets should be established in a given geographic area and what kind of participation in the marketing flows is required from each of the outlets so that needs of the existing, potential and past consumers may be adequately served. The field of consumer behaviour is interdisciplinary. It is composed of efforts by researchers from many different fields who share an interest in people's interaction with the marketplace. These disciplines can be categorized by the degree to which their focus is micro (the individual consumer) versus macro (the consumer as a member of groups or of the larger society).

As demonstrated by Maslow's hierarchy of needs, the same product can satisfy different needs, depending upon the consumer's state at the time (i.e., whether basic physiological needs have already been satisfied). In addition to his or her objective situation, the consumer's degree of involvement with the product must be considered.

Consumer motivational factors often are driven by underlying values. In this context, products take on meaning because they are seen as being instrumental in helping the person

to achieve some goal that is linked to a value, such as individually or freedom. Consumer behaviour refers to act of individuals directly involved in obtaining and using goods and services, and include the decision processes that precede to determine these acts and the processes that follow and influence experiences obtaining from such acts.

This is an exercise highly essential to the firms. Consumer behaviour may be defined as the study of how individuals make decisions to spend their available resources (money, time, effort) on consumption related items. It is not always possible to deal directly with the consumers for a manufacturer. Retailers purchase on behalf of their customers. Retailers are sales specialists for the suppliers. They provide various financial services both for the suppliers and the customers. The retailers buy in bulk and sell in smaller lots. They store the goods and sell them to end users for consumption and usage. The retailers provide feedback to the suppliers and give advice to their customers. They give the consumers a wide assortment of goods and services by buying from different suppliers.

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