



A STUDY OF CUSTOMER SATISFACTION TOWARDS MARKETING MIX ADOPTED BY ORGANIZED & UNORGANIZED RETAIL STORES IN AURANGABAD CITY.

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Abstract

The Marketing Mix consists of four different elements which has considered even before launching of the product. The elements of marketing mix are product, price, place & promotion. All these four elements of marketing mix play an important role in strategic decision making which is necessary for competitive advantage. This paper is focused on describing the use of marketing mix by organized & unorganized retail shops to market their goods and services. The author has conducted a survey in Aurangabad city of Marathwada region to gauge the satisfaction level of the customers in the city towards marketing mix adopted by organized and unorganized retail stores. The marketing mix engages in the decisions making process related to the products which will be made available at a particular price, distributed through certain distribution channel by making enough promotion among the customers. Thus, This paper is an attempt to know how effectively marketing mix is implemented by organized and unorganized retail stores to satisfy their customers in Aurangabad city of Marathwada region.

Keywords: *Marketing Mix, Product, Price, Positioning, Promotion, Competitive Advantage.*

1. Introduction

In 2004, The High Court of Delhi defined the term 'retail' as a sale for final consumption in contrast to a sale for further sale or processing (i.e. wholesale), a sale to the ultimate consumer. Thus, retailing can be said to be the interface between the producer and the individual consumer buying for personal consumption. This excludes direct interface between the manufacturer and institutional buyers such as the government and other bulk customers. Retailing is the last link that connects the individual consumer with the manufacturing and distribution chain. A retailer is involved in the act of selling goods to the individual consumer at a margin of profit.

1.1 Classification of Indian Retail sector

The Indian retail industry is classified into two categories like 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 hypermarkets and retail chains, and also the privately owned large retail businesses stores. These malls have begun their operations in metropolitan cities & slowly focusing two tier & three tier cities for their future business expansion. In such a way they are trying to enlighten Indian customers with an unbelievable shopping experience.

Unorganized retailing, on the other hand, refers to the traditional formats of low-cost retail stores, for example, the local kirana shops; owner managed general stores, paan/beedi shops, convenience stores, etc. These types of retail stores lack innovation due to which their existence is endangered.

2. Review of Literature

According to **Hasemark and Albinsson (2004)** cited in Singh (2006:1) "satisfaction is an overall attitude towards a product provider or an emotional reaction to the difference between what customers expect and what they actually receive regarding the fulfillment of a need". This paper is describing in detail the gap between customer expectation and customer experience. It also helps us to identify the customer satisfaction level.

Kotler (2000); Hoyer & MacInnis (2001) The author has defined customer satisfaction as a person's feelings of pleasure, excitement, delight or disappointment which results from comparing a product's perceived performance to his or her expectations. Customer satisfaction means the gratification one feels when one has fulfilled a desire, need or expectation. Furthermore, Customer satisfaction can be used to measure the intensity of happiness of the customers with the services and products of a Retail stores. Amidst this cut throat competition, customer satisfaction not only useful in retaining the customers but also helps the retailer to extend the business & earn huge profit.

Furthermore, Zairi (2000) The author in his study revealed that repetitive purchase, loyalty and retention are the symptoms of customer satisfaction. Besides this, the feedback of the customer is very important criteria to judge the level of customer satisfaction..



3. Marketing Mix

Definition of target group and serving the target customers in best possible way are the major ingredient of the marketing activity. Once the target group of customers is defined then the organization penetrates the product in the market by adopting appropriate marketing mix. Marketing mix consist of Product, Price, Place & promotion.

3.1 Components of Marketing Mix:

Product : Product refers to the goods and services offered by the organization. A pair of shoes, a plate of idli, a lipstick, all are products. All these are bought because they satisfy certain needs. We are paying not for the tangible product but for the benefit associated with it. In simple words, product can be described as a bundle of benefits which a marketer offers to the consumer for a price. By buying the products customers wants to seek satisfaction like by buying a pair of shoes, Customer is actually buying comfort for his feet, while buying a lipstick customer is actually paying for beauty because lipstick is likely to give customer good look. Product can also take the form of a service like an insurance, air travel, telecommunication, etc. Thus, the term product refers to goods and services.

Price: prices they schedule of goods and services in terms of money. It is the amount charged for a product or service. It is the second most important element of the marketing mix. Defining the price of the product is a difficult and tricky job. Several factors like demand for the product, cost involved, customer's ability to pay, price of the competitors for the similar products or services, government taxes, promotional cost, distribution cost etc. are some of the major considerations while determining the price. Hence price fixation is become one of the crucial decision in the business. It not only ensures maximum sale but also ensure fair amount of profit to the company. Thus appropriate price determination helps the businessman to sustain in the market by facing the competition successfully.

Place: Place or distribution channel is also one of the key ingredients of the marketing mix. After the manufacturing of goods, the businessman needs to ensure the dispatch of products to the ultimate end-user. In this regard, distillation channel is the root by which goods are gathered from the company and ultimately sold to the consumer. The efficiency of the firm can be determined on the basis of the efficiency of their destruction Channel. The distribution channels like dealers, distributors, wholesalers, retailers are used generally by the businessman to send their product to the end-user. The organization has to select the distribution channel of their choice. But while determining the distribution channel the organization always prefers to select those channels which are efficient and economical.

Promotion: promotion plays a vital role in the success or failure of the business. If the products are manufactured considering the customers need in the mind, is appropriately priced and made available at several outlets to them but the customer is not always aware about its price, features and availability. In this situation, promotion becomes an integral part of the organization not only to aware the customers about the product details but also ensure them to purchase the product. Promotion is one of the important tool of marketing which helps the businessman to stay exist in the competition. Thus promotion is an important element of marketing mix as it refers to a process of informing, persuading, and influencing customer to make choice of the product to be purchased. Promotion is done through various types of means like advertising, sales promotion, personal selling, publicity etc. these means of promotion helps to generate interest in the minds of the customers and convince them to buy a product of their liking. The explosion of print and electronic media has changed the dimensional of promotion in the recent era.

4. Objectives of the Study

1. To study the customer satisfaction towards marketing mix adopted by organized retail stores in Aurangabad city
2. To study customer satisfaction towards marketing mix adopted by unorganized retail stores in Aurangabad city.
3. To make a comparative study of customer satisfaction towards marketing mix adopted by organized & unorganized retail stores in Aurangabad city.

5. Research Methodology

The Study

The study was conducted to know the customer satisfaction towards marketing mix of organized & unorganized retail stores in Aurangabad city.

- ii. **The Sample :** The sample size used in the study consists of 100 respondents from various areas of Aurangabad city like Cidco Bus Stand, Aurangpura, etc.

iii. **The Tools:** • **For Data Collection:** Data was collected using self designing questionnaire.

• **Tool of Data Analysis :** Percentage is used to show the difference in customer satisfaction of organized & unorganized retail stores.

6. Demographic Profile of Respondents(Aurangabad)

GENDER	MALE	FEMALE				Total Respondents
	64	36				100
AGE GROUP	BELOW 30	31-40	41-50	51 ONWARDS		
	36	40	16	08		100
OCCUPATION	PRIVATE EMPLOYEE	BUSINESS MEN	GOVT EMPLOYEE	RETIRED	HOUSEWIFE	
	48	18	24	00	10	100
QUALIFICATION	S.S.C	H.S.C	GRADUATE	P.G		
	04	12	36	48		100
MONTHLY INCOME	LESSTHAN 20K	20001-40000	40001-60000	60001-80000	80001 ONWARDS	
	18	20	34	20	08	100
MARITAL STATUS	MARRIED	UNMARRIED				
	72	28				100
FAMILY SIZE	1	2-4	5-7	7-10	MORE THAN 10	
	04	66	20	10	00	100

7. Customer Satisfaction towards retail marketing mix

Nature of Retail Store	Highly satisfied	Satisfied	Neutral	Dissatisfied	Highly dissatisfied	Total
Unorganized	15	17	31	25	12	100
% Respondents	15%	17%	31%	25%	12%	100%
Organized	30	25	28	13	04	100
% Respondents	30%	25%	28%	13%	4%	100%

From the above table it is observed that 30% of the customers from organized retail shops were highly satisfied with the retail mix whereas it was found only 15% in case of unorganized retail store. The percentage customers who were highly dissatisfied with the unorganized retail shop was thrice more than organized retail. Further, it is found that the almost doubled (25%) of unorganized retail customers were dissatisfied as compared to organized retail store customers. The customers who had given their neutral opinion about marketing mix of unorganized & organized retail stores was 31% and 28% respectively.



8. Conclusion

From the above study it is concluded that the marketing mix is aggressively and efficiently implemented by the organized retail stores to satisfy their customers as compared to unorganized retail stores in Aurangabad city of Marathwada region. Further, this trend in the market proves to be fateful for the unorganized retail stores. Hence the unorganized retail store must ensure efficient use of marketing mix to meet the competition.

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