# A Study on Customers' Perception on Service Quality of Retailing in Sri Lanka; With Reference To ABC Supermarket

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***Abstract:*** *Service Sector Of Sri Lankais One Prominent Area Which Is Being Developed During Recent Past. Therefore, When The Economy Of The Country Develops, The Service Sector Plays An Important Role. Supermarkets Is One Major Developing Service Expanding Their Retailing Island Wide. Therefore, It Is Important To Identify The Behavior Of The Consumer On The Quality Dimensions Of Retailing Sector. This Research Has Been Selected To Assess Effect Of Service Quality Dimension On Retailing Consumer In Sri Lanka.This Research Was Conducted In Order To Identify The Service Quality Of Retailing In Sri Lanka Based On The Super Market Network. This Study Population Is The Entire Consumer Population Who Use The Super Market Network In Sri Lanka. Convenient Sampling Technique Was Applied To Select 40 Retailing Consumers In ABC Super Market.Responsiveness Has The Highest Impact On Service Quality In Retail Marketing Of ABC Super Market. Further Tangibility, Assurance, Reliability And Empathy Have A Moderate Impact. Thus These Factors Have A Collective Impact On The Service Quality In Retail Marketing In ABC Super Market, Quality Of Retail Marketing Can Be Improved By Developing All Factors. As Empathy Has An Individual Effect On Service Quality Whilst Demographic Factors Namely Gender And Age Do Not Have A Direct Effect On Service Quality In Retail Marketing. It Is Recommended To Pay More Emphasis Toward Tangibility, Assurance, Reliability, Empathy, Responsiveness And Not On Gender Or Age In Order To Develop The Retail Marketing In ABC Supermarket.*

***Key Words;*** *Service Quality, Retailer Sector, Customers' Perception*

## I. Introduction

When We Look At The Economy Of Sri Lanka In The Recent Past One Of The Areas Which Has Shown A Remarkable Progress Is The Service Sector. In The Year 2015 The Contribution To The National Economy From This Sector Was 56.06%(Central Bank Report, 2015). When The Economy Of A Country Develops The Service Sector Plays An Important Role. The Main Reason For This Is The Increase In The Buying Power Of The People And Also The Improvement In The Quality Of The Services Which They Purchase (Mahaliyanaarachchi, 2004). In The Past Supermarkets Were Established Only In The Western Province But However At Present The Supermarkets Have Given Up Aiming At High End Consumer And Expanding Their Retailing To Other Areas. Therefore, It Is Important To Identify The Behavior Of The Consumer On The Quality Dimensions Of Retailing Sector.

This Is Becauseheli (2011) Has Shown That Institutional Profitability Can Be Improved Through The Development Of Service Quality To Attract The Customers And To Satisfy Theirneeds. As Such This Study Is Conducted To Assess Quality Dimensions Inretailing In The Supermarket Network In Sri Lanka In Consumers Point Of View.

## II. Research Problem

It Is A Very Difficult Task To Assess The Quality Of A Service Than The Quality Of Goods As The Quality Of Service Depends On The Consumer's Perceived Experience. At Present With The Sudden Expansion Of The Supermarket Network, Retailing Has Been Given Sophisticated Business Environment. This Quality Dimensionsin Retailing Given By The Supermarket Network Has A Direct Impact In Attracting Consumers. It Also Will Highly Affect The Profitability Levels Of An Institution. Based On This, This Research Has Been Selected To Assess How Service Quality Dimension In Retailing Directly Affects On Consumer In Sri Lanka.

**Objectives Of The Research**

In This Research, It Was Aim To Identify The Factors Which Affect Quality Dimensions Of Retailing In ABC Super Market And To Identifying The Impact Of Demographic Factors On Service Quality Dimensions In Customers' Perspectives.

## III. Literature Review

**Service Quality**

An Important Factor In Service Marketing As Well As Ingoods Marketing Is The Quality Dimension. One Of Main Problems Faced By A Business Organizationsin The Modern Business Environment Is The Continuous Supply Of High Quality Service That Will Satisfy The Consumer Needs. Thus The Meaning Ofthe Quality Dimensions Of A Service Is; Providing A Higher Service Which Is Beyond The Expectations Of The Consumers. This Is Decided By The Consumer And Not By The Institution Which Provides The Service. Therefore, The Quality Of A Service Should Be Looked In To From A Consumer's Angle.Mahaliyanaarachchi (2004) Andlove Look(2013) Have Defined Service Quality Mainly Based On An Experience. Further They Indicate That Service Quality Will Grow Up Continuously Depending On Employee's Experience. Parasuramanet. Al In 1985 Have Indicated That Service Quality Would Depend On The Consumer's Perception And Expectation. In Edverdsson(1998) Has Described That One Of The Main Factors That Affect The Service Quality Is The Courtesy And Pleasantness In The Distribution Of Services.Tilptono (2012) Has Stated Thatservice Quality Will Depend On The Consumer And Also What The Consumer Expected, Perceived And What He Actually Received.

## IV. Service Quality Measurements

In 1985 Parasuraman Has Stated That Assurance Of Tangibility Reliability, Empathy And Responsiveness Are The Factors Which Influence The Service Quality. (Sevequalmodel) Jessica And Jent 2011, Ghalib (2014) Ravichandran (2010) Rubogora (2017) Anantharaj (2014) Have Conducted Several Researches Using These Factors. Here Emel(2014) Have Shown That Dabholkar Et.Al In 1996 Have Used Convenience Extra Services, Promising On Certification, Doing A Task Correctly, Under The Human Attraction And Convenience Solving Consumer Complaints. The SEVQUAL Model Introduced By Parasuraman In 1985 Has Indicated That There Are 22 Sub Sections That Affect The Service Quality.

## V. Research Methodology

This Research Was Conducted In Order To Identify The Service Quality Of Retailing In Sri Lanka Based On The Super Market Network. This Study Population Is The Entire Consumer Population Who Use ABC Super Market.In This Research 40 Consumers Were Selected Using Convenient Sampling Technique.

**Conceptual Framework Of The Research**

**Figure 1 : Conceptual Framework of the Research**
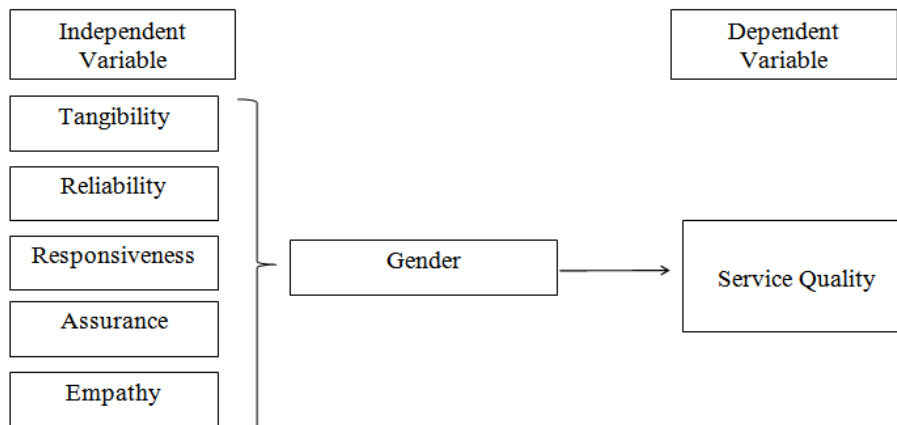


In Developing The Conceptual Framework, The Variables Used By Parusuramanet. Al (1988) Were Used. Further Jessica And Jent (2011), Ghalib(2014), Ravichandran(2010), Rubogora(2017) And Anantharaj (2014) Have Used These Factors In Developing Their Conceptual Frameworks.

A Questionnaire Was Used To Collect The Primary Data. In This Questionnaire, In Order To Collect The Data Pertaining To The Research Dichotomous, Multiple, Open And 5 Likert Scale Questions Were Included. In Order To Collect The Secondary Data In Connection With This Research, The Researcher Has Used The Internet, Previous Research Reports, Journals, Articles, Books And Magazines.

# VI. Data Analysis

To Analyze The Data, It Was Expected To Use SPSS And Excel Software. In Addition, In This Analysis Charts, Graphs, Statistical Tools Such As Percentages, Mean, Standard Deviation, Multiple Regression Analysis Were Also Used.

The Detail Analysis Was Given Below.

At The Beginning Internal Consistency Of The Questionnaire Of The Analysis Was Checked.

### Table 1: Internal Consistency Test

| Variable | Items | Chronbach Alpha |
|---|---|---|
| Tangibility | 4 | .876 |
| Assurance | 3 | .823 |
| Reliability | 4 | .786 |
| Empathy | 3 | .865 |
| Responsiveness | 3 | .741 |
| Quality | 4 | .781 |

Since All Variables In The Questionnaire Have Received > 0.6 Cronbach Alpha Value It Was Concluded That The Questions In The Questionnaire Were Suitable For The   Development Of These Variables.

### Table 2: Descriptive Statistics

| | N | Mean | Std. Deviation |
|---|---|---|---|
| Tangibility | 40 | 2.7187 | .71877 |
| Reliability | 40 | 2.8750 | .63912 |
| Assurance | 40 | 2.8875 | .52791 |
| Empathy | 40 | 2.9438 | .66864 |
| Responsiveness | 40 | 3.0667 | .59533 |
| Quality | 400 | 2.8937 | .54563 |
| Valid N (Listwise) | 400 | | |

According To The Above Charts As The Mean Values Have Exceeded 2.5 In The Likert Scale There Is An Acceptable Relationship In The Four Factors Namely Tangibility, Assurance, Reliability, Empathy And Responsiveness Which Affect The Quality Of The Retailing.

In This Analysis The Highest Mean Value Of 3.0667 Was For Marketability And The Lowest Mean Value 2.7187 Was For Tangibility. In Considering Standard Deviation, The Highest Standard Deviation Was 0.71877 For Tangibility And The Lowest Standard Deviation 0.52791 Was For Reliability.

### Table 3: Model Summery

**Model Summary[b]**

| Model | R | R Square | Adjusted R Square | Std. Error Of The Estimate | Durbin-Watson |
|---|---|---|---|---|---|
| 1 | .759[a] | .575 | .513 | .38079 | 1.918 |

A. Predictors: (Constant), Responsiveness, Tangibility, Empathy, Assurance, Reliability

B. Dependent Variable: Quality

Multiple Correlation Coefficient (R) 0.759. Accordingly, The Appropriateness Of SERQUAL Model On The Service Quality In The Super Market Was Identified From The ANOVA Test.

### Table 4: ANOVA Results

**Anova[b]**

| Model | | Sum Of Squares | Df | Mean Square | F | Sig. |
|---|---|---|---|---|---|---|
| 1 | Regression | 6.681 | 5 | 1.336 | 9.215 | .000[a] |
| | Residual | 4.930 | 34 | .145 | | |
| | Total | 11.611 | 39 | | | |

A. Predictors: (Constant), Responsiveness, Tangibility, Empathy, Assurance, Reliability

B. Dependent Variable: Quality

According To Regression ANOVA Results, The Probability Of F Test Is 0.000. This Is Highly Significant Result Which Shows That All Variables In The SERQUAL Model Have A Combined Effect On The Quality In Retail Marketing.

**Table 5: Analysis Of Individual Effect Of Variables**

Coefficients

| Model | | Unstandardized Coefficients | | Standardized Coefficients | T | Sig. | Co-Linearity Statistics | |
|---|---|---|---|---|---|---|---|---|
| | | B | Std. Error | Beta | | | Tolerance | VIF |
| 1 | (Constant) | .433 | .388 | | 1.115 | .273 | | |
| | Tangibility | -.068 | .136 | -.089 | -.499 | .621 | .391 | 2.555 |
| | Reliability | .082 | .185 | .096 | .440 | .662 | .265 | 3.773 |
| | Assurance | .318 | .192 | .308 | 1.653 | .108 | .360 | 2.776 |
| | Empathy | .403 | .119 | .494 | 3.378 | .002 | .583 | 1.715 |
| | Responsiveness | .099 | .132 | .108 | .750 | .458 | .601 | 1.664 |

A. Dependent Variable: Quality

It Has Been Identified That Empathy Is One Of The Major Factors According To The Coefficient Statistics. Its Probability Is 0.002 And It Is Significant Under 1% Significance Level. As The B Value Is 0.403 Empathy Has A Positive Impact In The Quality In Retail Marketing. The Other Factors Do Not Show Such An Effect. In Order To Check The Regression Analysis Results The Researcher Has Used Diagnostic Test Methods. In The Model Summery Durbin-Watson Test Statistic Was 2.121. As This Value Is Between 1.5 And 2.5 The Residuals Are Independent And It Indicates The Regression Model Is Highly Valid. Variance Inflation Factor (VIF) Remains Below 10 For All Variables In The Coefficient Table. This Shows There Is No Correlation Between Independent Variables And Therefore There Is No Multi Co-Linearity Problem. Therefore, The Model Is Highly Valid.

**Table 6: Gender Effect On Service Quality In Retail Marketing**

Independent Samples Test

| | | Levene's Test For Equality Of Variances | | T-Test For Equality Of Means | | | | | 95% Confidence Interval Of The Difference | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | F | Sig. | T | Df | Sig. (2-Ailed) | Mean Difference | Std. Error Difference | Lower | Upper |
| Quality | Equal Variances Assumed | .584 | .450 | .519 | 37 | .607 | .09358 | .18015 | -.27144 | .45860 |
| | Equal Variances Not Assumed | | | .519 | 34.519 | .607 | .09358 | .18020 | -.27243 | .45960 |

The Probability Value Of Levene's Test Of Independent T Test Is 0.450. According To The Mean Test The Probability Is 0.670. There Is No Gender Effect On Service Quality Of Retail Marketing.

**Table 7: Age Effect On Service Quality Of Retail Marketing**

ANOVA

| Quality | Sum Of Squares | Df | Mean Square | F | Sig. |
|---|---|---|---|---|---|
| Between Groups | 1.270 | 4 | .318 | 1.075 | .384 |
| Within Groups | 10.341 | 35 | .295 | | |

**ANOVA**

| Quality | Sum Of Squares | Df | Mean Square | F | Sig. |
|---|---|---|---|---|---|
| Between Groups | 1.270 | 4 | .318 | 1.075 | .384 |
| Within Groups | 10.341 | 35 | .295 | | |
| Total | 11.611 | 39 | | | |

Probability Value Of The F Test Of Variable Analysis Is 0384. As This Is Not A Significant Result Age Has No Effect On Service Quality Of Retail Marketing.

## VII.    Conclusion And Discussion

Responsiveness Has Been Identified As A Factor Which Has The Highest Impact On Service Quality In Retail Marketing Of ABC Super Market. Further Tangibility Assurance, Reliability And Empathy Have A Moderate Impact. Thus These Factors Have A Collective Impact On The Service Quality In Retail Marketing In ABC Super Market. By Developing All Factors Of SEREQUAL Service Quality Of Retail Marketing Can Be Improved. As Empathy Has An Individual Effect On Service Quality This Factor Needs Special Attention.  In Addition, Gender And Age Do Not Have A Direct Effect On Service Quality In Retail Marketing.  Therefore, In Developing The Quality Of Retail Marketing, More Emphasis Should Be Given To Factors Like Tangibility, Assurance, Reliability, Empathy, Responsiveness And Not On Gender Or Age.

According To The Mohomed (2013), The Factor Which Makes The Highest Effect On The Service Quality In Retail Marketing Are The Two The Variables Tangibility And Empathy. In This Research The Highest Mean Value Is For Responsiveness And According To The Mohomed (2013) The Lowest Mean Value Was Obtained For Reliability. However, In This Research The Lowest Mean Value Has Obtained For Tangibility.

One Main Limitation Is The Population Related To The Research Is Inability To Include All Supermarket Consumers In The Country To Have More Reliable Inference With Regard To Retail Marketing In Super Market Network. . The Respondents May Consider The Questionnaire Used In The Primary Data Collection As Meaningless And Refrain From Providing Accurate Details. Or Else They May Provide Biased Information.

In This Research Only Few Factors Were Analyzed Which Affect The Quality Of The Retail Marketing In Sri Lanka.Therefore, More Researches Would Be Conducted Using Many Other Factors Which Affect The Quality Of Retail Marketing Using The Super Market Network In Sri Lanka.

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