A Study on Retailer Satisfaction in Food Retail Market With Special Reference to Soft Drinks in Selected Districts of Tamilnadu

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ABSTRACT - India with a population of more than 100 crores is potentially one of the largest consumer markets in the world with urbanization and development of economy, tastes and interests of the people changes according to the advance nation. FOOD industry is one of the fast growing industries in India. Retailer Satisfaction is a result of a product related experience offered by companies and this question reflects the overall opinion of a retailer's experience with the product performance. The project is carried out depending on the various data which are obtained from both primary source (direct interview with retailers) and the secondary sources (the website of the company, books, and print media).The analysis is made studying the questionnaire and observation which was distributed among 300 Retailers to find their response about the various questions asked related to the satisfaction level and problems faced by them. The sampling method is using convenience sampling; the total size of sample is 300 for retailers. The data analysis and interpretation is done through using factor analysis through SPSS.20. The major findings of the study are related with the soft drinks and services offered to retailers in selected districts of Tamil Nadu. Retailers were also satisfied with the distribution network of soft drinks products, information regarding new schemes and discounts. They were also satisfied with the sales person of soft drinks. The retailers were satisfied with the credit facilities provided by soft drinks. The few suggestions for soft drinks manufactures from the researcher point of view are given in this paper. The conclusion of the survey is based on the objectives of the study i.e. various problems faced by retailers of soft drinks product, complaints of retailers towards products and services of soft drinks, retailers satisfaction level towards soft drinks products and services and effective solution to the problems faced by retailers.

KEY WORDS: Retailer satisfaction, Perception, Product orientations, Product Replenishment, Loyalty

I. INTRODUCTION

India with a population of quite one hundred crores is doubtless one amongst the most important shopper markets within the world with urbanization and development of economy, tastes and interests of the people changes according to the advance nation. Beverage business is one amongst the quick growing industries in Asian country. It can be divided into two sections i.e. carbonated and non - carbonated. The carbonated drinks can be further classified into Cola, Lemon, Orange, Mango & Apple segments etc. Marketing includes all the activities like promotion, distribution, advertising etc. to fulfill the demands of all segments of consumers. Marketing is also convert social needs into profitable opportunities. So this topic provides all the essentials to the theoretical knowledge with practical knowledge and to inculcate the efficiency. It is also a requirement for the company to improve its service and product quality to achieve the ultimate goal. Marketing is about winning this new environment. It is about understanding what consumer's wants a supplying its more efficiency and more conveniently. India where more than 50% of the total population exists below poverty line the consumer can't afford such high price for soft drinks. As a result the commercialism activities of the soft drinks business area unit targeted in and around massive cities and city wherever the buying power of population is taken into account relatively high.

Soft drinks industries in Asian country has annual sale of regarding 5000 crores with per capita consumption of sentimental drinks at a coffee of eight bottles once a year is due to price factor. So, marketing is both philosophy and technology. It is technology as a result of it suggests ways that and means that for effective production and distribution of products and services within the market to administer most satisfaction to the buyer. In this regard the promoting management with need to apply to promoting technology within the abstract philosophy of a system. It is the method of system analysis within the promoting management for

effective analysis and may be outlined, "Systematic objective and complete study of tasks relevant to any downside in the field of marketing"

NEED OF THE STUDY

Organization is created by individuals and performance to individuals gives by organizations. The resources by themselves cannot fulfill the objectives of organization. They have to be united into a team. The most would like of the study is:

➢ To outline the impact of shops satisfaction at each place within the selling management.

➢ To shrewdness retailer's square measure succeeded within the enterprise.

➢ To shrewdness the retailers time utilizing within the enterprise.

➢ To shrewdness the method occurring the retailers management

OBJECTIVES OF THE STUDY

✓ To understand various problems faced by retailers of soft drinks product.

✓ To analyze complaints of retailers towards soft drinks product

✓ To study/identify retailers satisfaction level towards soft drinks product

✓ To develop effective solution to the problems faced by retailers.

LIMITATIONS OF THE STUDY

• Some of the respondents are refused to fill the questionnaires.

• The responses may vary as some people did not want to come up with real answers.

• Due to the lake of time period for the collecting data.

• The survey is conducted only in few districts rural and urban areas hence the results may vary in other parts of Tamil Nadu.

• Some of the retailers refused to give the information that's why Taken very Small sample size.

II.   REVIEW OF LITERATURE

Retailing isn't a brand new construct in Republic of India and has existed since centuries. The transition of retail formats from unorganized to organize is comparatively a brand new construct. Unorganized method of selling has existed since the world. A forceful amendment in retail befell within the late nineties because of easement. it's this transformation of retail that has turned the main focus of researchers towards this space. Client plays the foremost vital role in retail as he's the one United Nations agency pays to consume the products and services.

CONSUMER

A "Consumer" may be a one that buys any merchandise or hires any service for valuable thought (including postponed payment). The term doesn't embody an individual United Nations agency obtains merchandise or services for marketing or for any industrial purpose.

Consumers are people and households United Nations agency get merchandise and services for private consumption *(Kotler 2007)*. Typically, once business folks and economists talk about the shoppers, they're talking regarding the person as client, associate collective artifact item with very little individuality apart from that expressed within the call {to get to shop for} or to not buy. However, there's a trend in promoting to individualize the construct. rather than generating broad demographic profiles and psycho-graphic profiles of market segments, marketers have began to have interaction in customized promoting, permission promoting, and mass customization Cross, *Henry Martyn Robert G (1997).*

PERCEPTION

Sharma Arun and Stafford T.F. (2000) mentioned in their study that store ambience and design positively affect customers' persuasion as well as customers' positive perceptions of sales people. Additionally they urged that in "prestige ambience" stores, a reduction in the number of retail sales people does not significantly affect customers, buying intentions. Whereas, "discount ambience" stores an increase in number of retail sales people dramatically enhances customers' buying intentions. They have empirically demonstrated that (1) salesperson credibility is affected by a set of store atmospheric cues, such as prestige or discount ambiance, (2) these ambiance cues can lead to increased persuasion, (3) when customers received inconsistent ambiance and salesperson availability cues, persuasion also was enhanced, and (4) "availability of salespeople" had a differential impact on different types of stores. Thus, this study effectively proves the positive impact of atmospherics on the customer's perceptions of salespeople, as well as the salesperson's role as an atmospheric cue.

Gómez, McLaughlin and Wittink (2004) studied the US food retail sector, measured the links between store attribute perceptions and customer satisfaction, and between customer satisfaction and sales performance. The authors constructed a statistical model to address nonlinearities and asymmetries in the satisfaction-sales performance links, and illustrated how retailers can affect store revenues by managing customer satisfaction. *Rajaguru and Matanda (2006)* studied 'Consumer Perception of Store and Product Attributes and its Effect on Customer Loyalty within the Indian Retail Sector' and observed that except product price,

other store and product attributes have positive effects on customer loyalty .Further analysis is required to spot retail

manager's concentrate on product quality, store convenience as well as assure quality and availability of new products in order to enhance customer loyalty and additionally to match customers victimization numerous retail formats and consumers' perception of product and store attributes on retail formats keeping seeable demographic correlates.

SERVICE

Sirohi N., Mclaughlin E.W. and Wittnik D. R. (1998) in their study threw lightweight on understanding the shop loyalty intentions of current customers for a multi-store grocery merchandiser. they need studied 3 store loyalty intentions, measured by intent to continue looking, intent to extend purchases and intent to advocate the shop rely on service quality and merchandise quality perception. they need conjointly tried to spot the impact of shoppers' perceived worth for cash for the native store. The results of the study unconcealed that service quality is far and away the foremost vital determinant of merchandise quality perception. Perceived worth for cash depends on perceived relative value and advertisement perceptions and to a lesser extent on service quality and merchandise quality perceptions.

Haiyan Hu (2011) studied the perception of store image among Chinese shoppers and located that Chinese shoppers perceived store image as a multi-faceted idea. They demonstrate a utilitarian orientation in looking. The study unconcealed that Chinese consumers' looking tendencies correlate extremely with merchandise and store congeniality. Their average expenditure throughout every looking trip is suffering from merchandise, service, advertisements, store congeniality and consumers' financial gain.

LOYALTY

Yoo and river (2005) explained loyalty and classified them into numerous approaches like behavioral approach, Associate in nursing attitudinal approach and combined approach. They summarized behavioral definition of store as loyalty could be a tendency of shoppers to buy repetitively in a very amount of your time and it are often operationally outlined and measured as purchase quantitative relation as repetitive purchase behaviour rule (1982). *Ailawadi, Neslin, and Gedenk (2001); Corstjens and Lal (2000); Steenkamp and Dekimpe (1997),* Studied the association with higher store image and better store loyalty which might have a positive result on retail sales and total greenback margin as a result of loyal shoppers obtain a bigger share of their total grocery necessities from the shop. On one side, retailer's whole guarantees concerning the standard of personal label product and provides data concerning their options, on the opposite facet if the client purchase personal labels and is glad, a general feeling of satisfaction is sent to the distributer

whole, so to the shop, implementing the shop loyalty *(Fornari, 2007).*

Oliver (1999) recommended that loyalty and satisfaction square measure connected inextricably, however conjointly that this relation is uneven, controversy that though loyal customers square measure sometimes happy, satisfaction is Associate in Nursing unreliable precursor to loyalty. *Morgan and Hunt (1994)* suggests commitment and trust – not only one or the opposite – square measure the key to success in relationship selling, since trust implies that the consumer has confidence among the brand/firm and is willing to view as it though there is Associate in Nursing proof of risk involved, whereas commitment reflects a psychological attachment to the brand/firm and an everlasting need to take care of the link. Loyalty cannot be bought or forced on customers and somebody does not automatically become loyal as a result of he or she is glad with the services offered by an organization *(Reichheld, 1993)*

RETAIL

Dholakia and Sinha (2004), Reardon and Gulati (2008), Srivastava (2008). India is experiencing speedy transformations in its retail structure .India's retail sector is predicted to grow to $635 billion by the top of 2015. Increase in conjunction with a rise in disposable incomes is providing the impetus to the present boom. Food retail especially goes to expertise vital growth. Food and Grocery (F&G) section constitutes sixty two of the Indian retail market.

III.   RESEARCH METHODOLOGY

Research is an art of scientific investigation. It is defined as "A careful investigation or enquiry especially through search for new facts in any branch of knowledge."Research methodology is considered as the nerve of the field work or any project. Without Proper well organized research plan, it is impossible to complete the project and reach to any conclusion. The project was based on the survey plan. The main objective of survey was to collect appropriate data, which work as a box for drawing conclusion and getting result. Therefore, research methodology is the way to systematically solve the research problem. Research methodology not only talks of the methods but also logic behind the methods used in the context of a research study and it explains why a particular method has been used in the preference of the other methods.

DATA SOURCES

Primary Data:

- ✓ Data observed or collected directly from first-hand experience is called primary data.
- ✓ Responses through questionnaires
- ✓ Conducted personal interviews with the respondents.

Secondary Data:

Published data and the data collected in the past or other parties are called secondary data. Secondary data is collected through the

- Company Websites.
- News papers.
- Journals.
- Textbooks.
- Research Question

SAMPLING TYPES

Sampling techniques: Convenience sampling

Sample Size: Retailer's samples are taken 300 samples only.

Samplings Areas: The study is conducted in various rural & urban areas of Tamil Nadu

Research tools: Factor analysis.

Factor analysis is a statistical method used to describe variability among observed, correlated variables in terms of a potentially lower number of unobserved variables called factors. For example, it is possible that variations in six observed variables mainly reflect the variations in two unobserved (underlying) variables. Factor analysis searches for such joint variations in response to unobserved latent variables. The observed variables are modeled as linear combinations of the potential factors, plus "error" terms. Factor analysis aims to find independent latent variables. The theory behind factor analytic methods is that the information gained about the interdependencies between observed variables can be used later to reduce the set of variables in a dataset. Factor analysis is commonly used   in

biology, psychometrics, personality theories, marketing, product management, operations research, and finance

IV.   THEORETICAL FRAMEWORK

Marketing

Marketing is the planning and execution of the production, pricing, promotion and distribution of goods and services to create exchanges that achieve individual and business objectives. Put simply, marketing is about matching every part of your business with your customers so that:

- ✓ You meet their needs.
- ✓ They are aware that you meet their needs.
- ✓ They are motivated to buy from you
- ✓ They are motivated to keep buying from you.

V.   DATA ANALYSIS AND INTERPRETATION

RELIABILITY AND VALIDITY OF DATA

As the Cronbach's alpha of four parameters (retailer satisfaction in food retail market with special reference to soft drinks in selected districts of Tamil Nadu) reveal .600 and more than .600 as alpha. So, it is confirmed that the data are highly reliable and valid for analysis. The following table shows that, the Cronbach's alpha value for every dimension of retailer satisfaction in food retail market with special reference to soft drinks in selected districts of Tamil Nadu.

Table – 1
Reliability and validity of data

Cronbach's Alpha	N of Items
0.987	13

Source: Output generated from SPSS 20

FREQUENCY ANALYSIS FOR INFORMATION ABOUT THE PRODUCT USAGE

Table – 2 Frequency analysis for information about the product usage

information about the product usage	Variables	Frequency	Percent
Available drinks in the shop	Pepsi	77	25.7
	Coke	94	31.3
	Maaza	50	16.7
	Sprite	79	26.3
	Total	**300**	**100.0**
The coke brands out there within the shop	Thumps up	81	27.0
	Maaza	86	28.7
	Sprite	67	22.3
	Coke	66	22.0
	Total	**300**	**100.0**

Source: Output generated from SPSS 20

The above table exhibits the frequency analysis of all two factors. Regarding first factor, "Available drinks in the shop", it seems that choice of preference towards coke available drinks in the shop, since majority (31.3%) has denied stating "Coke" to this factor. It is evident from the analysis that, the products show favoritism towards soft drinks and a majority (86%) has accepted their favoritism.

FACTOR ANALYSIS FOR RETAILER SATISFACTION IN FOOD RETAIL MARKET

KMO and Bartlett's Test

The dimensionality of retailer satisfaction in food retail market was examined using factor analysis based on sixteen individual statements and the reliability of the subsequent factor structures was then tested for internal consistency of the grouping of the items. The sixteen factors of retailer satisfaction in food retail market statements are related to the following:

1. Satisfied with the credit schemes of the companies
2. Satisfied with the incentives schemes of the companies
3. Satisfied with stock maintenance of soft drinks
4. Satisfied with replenishment time of the companies
5. Satisfied with credit polices of companies
6. Satisfied with discounts of companies
7. Difficulty with maintaining optimum stock
8. Rate Companies replenishment time
9. Satisfied with credit strategies of the companies
10. The company is providing percentage discounts
11. Satisfied with discount percentage
12. Satisfied promotional schemes of the companies
13. Satisfactory level towards soft drink business

Table – 3

KMO and Bartlett's Test of perception of the customers on service quality

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		0. 916
Bartlett's Test of Sphericity	Approx. Chi-Square	7663.296
	Degree of freedom	78
	Significant value	.000

Source: Output generated from SPSS 20

High value of KMO (0.916> .05) of indicates that factor analysis is useful for the present data. The significant value for Bartlett's test of Sphericity is 0.000 and is less than 0.05 which indicates that there exists significant relationships among the variables. The resultant value of KMO test and Bartlett's test indicates that the present data is useful for factor analysis.

Table – 4

Total variance explained for retailer satisfaction in food retail market

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	10.257	78.898	78.898	10.257	78.898	78.898	7.143	54.943	54.943
2	1.011	7.780	86.678	1.011	7.780	86.678	4.126	31.735	86.678
3	.944	7.260	93.938						
4	.238	1.835	95.773						
5	.150	1.157	96.930						
6	.096	.735	97.665						
7	.075	.576	98.242						
8	.058	.446	98.688						
9	.050	.381	99.069						
10	.047	.358	99.427						
11	.033	.254	99.681						
12	.023	.177	99.858						
13	.018	.142	100.000						
Extraction Method: Principal Component Analysis.									

Source: Output generated from SPSS 20

All the statements of the retailer satisfaction in food retail market are loaded on the thirteen factors. The total variance accounted for, by all the two factors with Eigen value greater than 1 is 86.678 percent and the remaining variance is explained

by other variables. Among the two factors, the first factor accounts for around 54.943percent of variance which is the prime criteria considered in retailer satisfaction in food retail market.

Table – 5 Rotated Component Matrix of retailer satisfaction in food retail market

Rotated Component Matrix[a]	Component	
	1	2
Satisfied with discounts of companies	.941	.231
Satisfied promotional schemes of the companies	.940	.160
Satisfied with stock maintenance of soft drinks	.913	.346
Satisfied with the credit schemes of the companies	.889	.334
Rate Companies replenishment time	.870	.431
Satisfied with credit strategies of the companies	.810	.525
Satisfied with credit polices of companies	.734	.560
The company is providing percentage discounts	.715	.619
Satisfied with the incentives schemes of the companies	.435	.863
Satisfied with replenishment time of the companies	.579	.775
Satisfied with discount percentage	.579	.771
Difficulty with maintaining optimum stock	.652	.708
Satisfactory level towards soft drink business	.006	.465
Extraction Method: Principal Component Analysis.		
Rotation Method: Varimax with Kaiser Normalization.		
a. Rotation converged in 3 iterations.		

Source: Output generated from SPSS 20

The statements are converted into 2 factors using factor analysis.

The following eight aspects related to retailer satisfaction in food retail market are converted into a single factor.

1. Satisfied with discounts of companies
2. Satisfied promotional schemes of the companies
3. Satisfied with stock maintenance of soft drinks
4. Satisfied with the credit schemes of the companies
5. Rate Companies replenishment time
6. Satisfied with credit strategies of the companies
7. Satisfied with credit polices of companies
8. The company is providing percentage discounts

The following five aspects related to retailer satisfaction in food retail market are converted into a single factor.

1. Satisfied with the incentives schemes of the companies
2. Satisfied with replenishment time of the companies
3. Satisfied with discount percentage
4. Difficulty with maintaining optimum stock
5. Satisfactory level towards soft drink business

Apart from that, the dimension "retailer satisfaction in food retail market" comprises 13 statements. Out of thirteen statements, two statements contribute more towards retailer satisfaction in food retail market. The statements are (1) Satisfied with discounts of companies, and (2) Satisfied with the incentives schemes of the companies.

VI.   FINDINGS

➢ The study reveals that majority of the retailers in Tamil Nadu was preferred coke brands.

➢ The study elicits that majority of the retailers are maintaining optimum product availability.

➢ The study reveals that Companies is providing good awareness about the credit schemes.

➢ The study elicits that retailer aware of the incentives of the companies.

➢ The study elicits that majority of the retailers are satisfied with stock availability.

➢ The study reveals that companies are not maintaining good replenishment time period.

➢ The study elicits that companies is providing better credit policies to the retailers.

➢ The study reveals that majority of the retailers are not satisfied with discount percentage offered by companies.

➢ The study reveals that majority of the retailers are not satisfied by the replenishment time followed by the companies.

➢ The study reveals that majority of the retailers are getting lower discount percentage from Companies.

➢ The study reveals that majority of the respondents are getting good promotional schemes from Companies.

➢ The study reveals that relation between geographical area & promotional activity on both rural and urban areas from Companies

VII.   SUGGESTIONS

1. The companies have to perform a detail demand survey at regular interval to know about the unique needs and requirements of the retailer.

2. It is suggested that the companies should develop a proper feedback mechanism process in terms of identifying and implementing the retailer suggestions.

3. The companies should focus of lunching more flavors and varieties of soft drinks to get more profits.

4. It is recommended that the companies should improve promotional activities in terms developing the brand awareness among the rural retailers.

5. It is recommended that the companies should keep a eagle eye on the distributors because in some cases their a chance of cheating the rural retailers due to this good will of the company may be damaged.

6. A strong watch should be kept on distributors also, because in some cases they are found to be cheating the retailers and affecting the goodwill of the COMPANY BRAND.

7. It is better to the companies to develop an effective add campaign in rural areas so that rural retailers & customers may get good awareness of the companies brands.

VIII. CONCLUSION

From the study we conclude that majority of the retailers in Tamil Nadu rural & urban areas are satisfied with the most of the company's retailer's schemes like discount rates, credit policies, incentive schemes etc. It is also found that soft drinks companies are having good brand image in the market study also highlights the rural retailer's problems like awareness regarding retailer schemes. So it is better to the companies to develop effective feedback systems in terms of identifying the rural retailer problems and companies has to develop an effective mechanism for solving the retailer problems quickly. So that gains good brand equity in the market.

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