Determinants of Consumer Patronage for Retail Outlet Choice: An Empirical Evidence from the City of Visakhapatnam

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Abstract

Indian government recently opened gates for global retailers by increasing FDI from 26 percent to 51 percent in both single branded and multi branded retailing. Some of the global retail giants like Wal-Mart already started their operations with joint ventures with Indian corporates whereas others are in plans to enter into Indian retail sector with their brands. Here the biggest challenge is how Indian retailers can compete with international retailers in pulling the customers towards their retail outlets. With this recently changed scenario in Indian retail sector, an attempt has been made to provide assistance for the Indian retailers by informing them about the determinants of retail outlet choice that is being made by the customer to shop in a particular retail outlet. The study identifies some determinants of retail outlet selection and proposes the retailers for better business performance to concentrate on the most significant determinants identified after performing factor analysis for data reduction for better business performance.

Key Words *Retail outlet selection, Determinants of retail outlet choice, FDI in retail, Retailer services*

Introduction

Indian retail sector is highly prospective, being the second largest employment provider after agriculture sector, also the second largest untapped market after China. The retail arena today is very different — the opportunities are incredible but exploiting them is extremely tough. A successful retail enterprise needs to have a vast network of people and error-free processes in place. The Indian retail sector is highly fragmented with 97 percent of its business being run by the unorganized retailers. The organized retail however is at a very nascent stage. According to Srivastava (2008), there are some 12 million retail outlets deeply penetrated across the country and contributing to more than 10 percent of the country's GDP and Indian retail market is estimated to grow from $427 billion in 2010 and is expected to reach $637 billion by 2015. According to India Retail Report (2007), Indian retailing industry has been present in India through history and is considered as one of the largest sectors in the Indian economy, contributing to around 10% to the GDP and employing around 7% of the total population. The Indian Retail sector is estimated to have a market size of about $180 billion, but the organised sector represents only 4% share of this market and is likely to increase its share to over 30% by 2013. According to India Retail Report (2011), the modern retail in the next five years is expected to would contribute to a minimum of one third of the market of 40 trillion. This report estimates that by the year 2016, the modern retail would have 19.3% share of the total retail market. According to Business Maps of India, the Indian retail sector is projected to reach US$ 1.3 trillion by 2018 and the organized retail market is estimated at compounded annual growth rate of 40% which is anticipated at US$ 107 billion by the year 2013. As per the McKinsey Report, 'The rise of Indian Consumer Market', by the year 2025, the Indian consumer market is expected to grow four fold. CII analysis shows that traditional trade will continue to have its own place and should not decline. Even in the last three years when modern retail has grown 24%, unorganized retail has continued to grow, albeit at a slower rate of 10% to 12%.

Statement of Problem

As a part of the Indian government's strategy to gradually open up the retail sector to foreign competition, the 2005 budget allowed 26% foreign direct investment (FDI) in the sector. Indian government recently reopened its gates for global retailers by increasing FDI up to 51% in retail sector for both single branded and multi branded retailing. Some of the global retail giants like Wal-Mart already started their operations with joint ventures with Indian corporate whereas others are in plans to enter into Indian retail sector with their brands. When compared to Indian retailers, International retailers are equipped with advanced managerial concepts, latest technology, research base etc. Here the biggest challenge is how Indian retailers can compete with international retailers in pulling the customer towards the retail outlets. With this recently changed scenario in Indian retail sector, an attempt has been made to provide assistance for the Indian retailers by informing them about the determinants of retail outlet choice is being made by the customer to shop in a particular retail outlet.

Literature Review

A lot of research is taking place in Indian retail sector and many researchers have expressed their findings for well being of the retail sector. Ghosh et al (2010) presented that 47% of India's population is under the age of 20 and this will increase to 55% by 2015 and this young population will immensely contribute to the growth of the retail sector in the country. The Indian retail market consists of 14 million outlets and has the largest retail outlet destiny in the world: Sinha and Uniyal (2005). Aggarwal (2008) stated that organised retail industry will mean thousand of new jobs, increasing income level, standard of living, better products, better shopping experience etc. Mulky et al, (2003) opined that the Indian retail sector is largely traditional, but stores in modern format are emerging. As compared to traditional stores, new format stores are pre-engineered retail outlets, characterised by well designed layout, ambience, display, self service, value added services, technology based operations and many more dimensions with modern outlook and practices. Dash and Chandy (2009) argues that growing middle class, large number of earning youth customers, increase in spending, improvement in infrastructure, liberalization of Indian economy and India's booming economy are the various opportunities for organised retailing in India. On the other hand, complexity of taxes, lack of proper infrastructure and high cost of real estate are the hurdles which need to remove for retail success in India. Satish and Raju (2010) identifies major Indian retailers that highly contribute to the retail sector in India are Pantaloon (future group), Tata Group, RPG Group, Reliance Group and A V Birla group etc.

There is good number of studies which portrays the shopping behaviour of Indians. According to Srivastava (2008), Consumer choice of shopping malls over traditional market stores is influenced by various factors like ambience, assortment, sales promotion schemes and in-store services. Sinha and Uniyal (2005) stated that on one hand impulse buying and brand switching behavior has become more evident and on the other hand unnecessary shopping has increased leading to consumers buying goods which are non-essential. The Malls, convenience stores, department stores, hyper/supermarkets, discount stores and specialty stores are the emerging retail formats that provide different shopping experience to consumers (Sinha and Uniyal, 2005). Gupta (2004) further observed the dynamics of Indian retailing have undergone a sea change. Product, place, price, promotion, people and process play important role in retailing; on the other hand, physical evidence is one aspect that does not need any emphasis at all due to changing consumers' mindset. Jain and Bagdare (2009) determined that the major determinants of modern retail formats are layout, ambience, display, self service, value added services, technology based operations and many more dimensions with modern outlook and practices. Lather and Kaur (2006) proposed six main indicators that play key role for retailers in choosing the type of retail formats that may help them to cope up with the changing preferences of consumers are price, sales personnel, quality of merchandise, assortment of merchandise, advertising services and convenience services.

Objectives

The primary objective of the study is to provide assistance for the Indian retailers by informing them about the determinants of retail outlet choice being made by the customer to shop in a particular retail outlet thereby making them to compete with the international retailers. The study identifies some determinants of retail outlet selection and proposes the retailers for better business performance to concentrate on the most significant determinants of retail outlet selection. The secondary objectives include analysing the socioeconomic characteristics of consumers of retail sector, studying the shopping behavior and reviewing the dynamics of Indian retail sector.

Research Methodology

The study is mainly an empirical one and the variables used are both quantitative and qualitative in nature and the study is based on primary data. The primary data is collected from 300 customers shopping in different leading retail outlets in Visakhapatnam like Big Bazaar, More, Spencer's, Pantaloons, Vizag Central, CMR Central etc. The customers with different designations, qualifications, experience, ages, gender and income levels are considered for this study.

A structured questionnaire has been designed specifically to elicit the opinions of respondents depending on objectives of the study. Firstly the questionnaire concentrates on analysing socio-economic characteristics of the customers in retail outlets in Visakhapatnam, secondly measuring the customer expectations on certain determinants of outlets which are identified from the literature review and finally measuring overall satisfaction levels of the customers. Questions in the questionnaire are framed in such a manner that the respondent gives their opinion mostly for questions on a five point likert scale, in some cases with given options and also open-ended questions sometimes. After assigning appropriate coding to the questions as variables, the data was fed into statistical software SPSS for data analysis.

The reliability test (cronbach alpha) was performed on the data collected for the study and found to be =0.889 which indicates that the data collected for the study is most reliable. The value was calculated for the questionnaire administrated in order to determine the reliability of the data where the alpha value is greater than 0.70 is the recommended level: (Bernardi, 1994). Statistical tool factor analysis was performed on the data of determinants in order to know the most significant determinants of consumer choice for retail outlet. In order to find out the appropriateness of factor analysis for the set of questions (variables), Kaiser-Meyer-Olkin (KMO) and Bartlett's Test of Sphericity is used. KMO measures the magnitude of observed correlation coefficients to the magnitude of partial correlation coefficients. Bartlett's Test measures the correlation of variables. A probability of more than 0.05 is desirable: (Akansha Anchaliya et al., 2012).

Profile of the Study Area:

Visakhapatnam is one of the North Coastal districts of Andhra Pradesh state of India and it lies between 17^{o}-15' and 18^{o}-32' Northern latitude and 18^{o}-54' and 83^{o}-30' in Eastern longitude. The population of the district is 4.28 millions as per 2011 Census and this constituted 5 percent of the population of the state while the Geographical area of the District is 11161 Sq. Kms, which is only 4.1 percent of the area of the State. Out of the total population 2.140 millions are males and 2.147 millions are females. The urban population is 3.53 millions whereas rural population is 1.301 millions. The Sex Ratio is 1003 Females per 1000 Males. The District has density of population of 384 per Sq.kms. The literacy rate is 67.7 percent in the District.

Results and Discussion

Socioeconomic Profile of the Customers:

Socioeconomic analysis of the study enables the retailers to know that the profile of the customers in terms of age, gender, income, education, occupation & size of family. This analysis enables the marketers and retail managers to draw the STP strategies and Retail Marketing Mix strategies for better business performance.

Table 1: Socioeconomic Profile of Respondents

Variable	Categories of variable	Frequency	%
Gender	Male	165	55.00%
	Female	135	45.00%
Age	13 - 19 years (teenagers)	20	6.67%
	20 - 30 years (young age)	125	41.67%
	31 - 40 years (early middle age)	95	31.67%
	41 - 50 years (late middle age)	45	15.00%
	above 50 years (old age)	15	5.00%
Occupation	Unemployed / Students	30	10.00%
	Employed	215	71.67%
	Business people	55	18.33%
Education	Primary Education	5	1.67%
	Secondary Education	16	5.33%
	Higher Secondary / Diploma / ITI	58	19.33%
	Graduation (UG)	120	40.00%
	Post Graduation (PG)	88	29.33%
	Higher than PG	13	4.33%
Income	Less than Rs.15,000/-	75	25.00%
	Between Rs.15,000/- and Rs.30,000/-	135	45.00%
	Between Rs.30,000/- and Rs.50,000/-	51	17.00%
	More than Rs.50,000/-	39	13.00%
Size of Family	Two	43	14.33%
	Three	82	27.33%
	Four	150	50.00%
	Five	20	6.67%
	Six	5	1.67%

Source: Field work

In this section an attempt has been made to analyse the socio-economic characteristics of respondents as presented in Table 1. Out of total 300 sample respondents, 55% are male and 45% are female. The respondents are categorised into five groups basing on their age. Out of total sample, 6.67% are teenagers (13 – 19 years), 41.67% are from young age (20 – 30 years), 31.67% are from early middle age (31 – 40 years), 15% belong to late middle age (41 – 50 years) and 5% are from old age (above 50 years). Based on occupation, the respondents are categorised into three groups, unemployed/students (10%), employed (71.67%) and business people (18.33%). Basing on the education, 1.67% respondents completed primary education, 5.33% have secondary education, 19.33% completed higher secondary education, 40% are graduated, 29.33% have post graduation qualification and 4.33% are higher post graduates. Basing on the income levels, the respondents are categorised into four groups. 25% are having monthly income less than Rs.15,000/-, 45% have income between Rs.15,000/- and Rs.30,000/-, 17% have income between Rs.30,000/- and Rs.50,000/-, another 13% respondents have income more than Rs.50,000/-. The family size of respondents are also analysed, 14.33% have family size two, 27.33% have size three, 50% are having family size four, 6.67% have five and 1.67% of respondents are having size six.

Shopping Behavior of Customers:

The shopping behavior of customers refers to the activities and actions of the customers before shopping, during shopping and after shopping the goods in the outlets. The shopping behaviour in terms of activities and actions like frequency of shopping, most preferred time of shopping, amount spent per month, distance from home to outlet, family life cycle stage etc are studied. The study of shopping behaviour of customers also enables the marketers and retail managers to draw the STP strategies and Retail Marketing Mix strategies for better business performance.

Table 2: Shopping Behavior of Respondents

Variable	Categories of Variable	Frequency	%
Frequency of shopping	Daily	18	6.00%
	Weekly	58	19.33%
	Biweekly	47	15.67%
	Monthly	110	36.67%
	Bimonthly	22	7.33%
	As per requirement	45	15.00%
Most preferred time of shopping	First week of month	135	45.00%
	Second week of month	59	19.67%
	Last week of month	20	6.67%
	As per requirement	86	28.67%

Amount spent per month	Less than Rs.1000/-	79	26.33%
	Between Rs.1000/- to Rs.5000/-	127	42.33%
	Between Rs.5000/- to Rs.10000/-	74	24.67%
	More than Rs.10000/-	20	6.67%
Distance from home to outlet	Less than 1 k.m.	130	43.33%
	Between 1 k.m. - 3 k.m.	100	33.33%
	Between 3 k.m. - 5 k.m.	34	11.33%
	5 k.m. - 10 k.m.	24	8.00%
	More than 10 k.m.	12	4.00%
Family Life Cycle Stage	Young Couple with no children	40	13.33%
	Couples with children	150	50.00%
	Couple with working children	90	30.00%
	Old Couple-working children with kids	16	5.33%
	Old Couple staying away from children	4	1.33%

Source: Field work

The shopping behavior of the respondents is analysed as shown in the Table 2. The frequency of shopping observed as daily 6%, weekly 19.33%, biweekly 15.67%, monthly 36.67%, bimonthly 7.33% and 15% of respondents are visiting the outlet as per requirement of goods. Most preferred time for shopping is analysed as first week of the month 45%, second week 19.67%, last week 6.67% and 28.67% of the respondents preferred time of shopping is as per requirement of goods. The amount spent per month for shopping by the customers is less than Rs.1000/- for 26.33%, 42.33% of the customers are spending an amount between Rs.1000 and Rs.5000, 24.67% are spending an amount between Rs.5000/- to Rs.10000/- and 6.67% are spending an amount more than Rs.10000/-. The distance between outlet and customer household is analysed, 43.33% of the respondents are shopping in the retail outlets which are in less than 1 k.m. radius, 33.33% are shopping in the outlets which are situated in the distance is in between 1 k.m. and 3 k.m. from home, 11.33% are shopping in distance between 3 k.m. and 5 k.m., 8% are shopping in distance ranging from 5 k.m. to 10 k.m. and 4% of the respondents are shopping in the outlets which are more than 10 k.m. away from their households. The family life cycle stages of the respondents are categorised into six groups i.e. young-couple-without-children 13.33%, couple-with-children 50%, couple-with-working-children 30%, old-couple-working-children with kids 5.33%, old-couple-staying-away-from-children 1.33%.

Performing Factor Analysis on Determinants of Consumer Patronage for Retail Outlet Choice

In this section an attempt has been made to analyse the determinants of consumer patronage to be measured. The customers were asked to respond on a five point likert scale (Highly-Expected [5], Expected [4], Slightly- Expected [3], Unexpected [2], Highly- Unexpected [1]) regarding twenty variables which were designed on the basis of previous studies and interviews. To determine the data reliability, Reliability test was performed on the data of customer expectations towards pre-purchase services. The value of the Cronbach's Alpha is found to be 0.889, which shows the data of determinants of consumer patronage is 88.9% reliable which ensures to proceed for further analysis.

Table 3: KMO and Bartlett's Test for Retail Outlet Determinants

Kaiser-Meyer-Olkin Measure of Sampling Adequacy		0.861
Bartlett's Test of Sphericity	Approx. Chi-Square	6526.516
	df	190
	Sig.	0.000

Source: Factor Analysis Data Reduction (SPSS 16.0)

To determine the appropriateness of factor analysis on the identified determinants of consumer patronage, Kaiser Meyer Olkin (KMO) and Bartlett's Test was performed as shown in table 3. The KMO measure is observed to be 0.861 which is higher than the threshold value of .5 (Hair et al. 1998). So it can be interpreted that there is no error in 86.1% of the sample and remaining 13.9% there may occur some sort of error. Bartlett's Test of Spherincity (x^2 =6526516) is found to be significant ($p < .001$, df 190). Finally it can be concluded that the data collected on determinants of consumer patronage is appropriate for factor analysis.

Factors – Determinants of Consumer Patronage:

Table 4: Factors Determining - Retail Outlet

Factor	Eigen Values	% Total Variance	Cumulative %
Communication	5.324	25.64	25.64
Infrastructure	2.958	15.42	41.06
Benefits	2.123	11.36	52.42
After Sales Services	1.354	7.65	60.07
Assortment Quality	1.245	6.31	66.38
Human Resources	1.125	5.24	71.62

Source: Factor Analysis Data Reduction (SPSS 16.0)

Factor analysis was performed to study the customer expectations on determinants of consumer patronage for retail outlets choice in the study area. Factor analysis was used to remove the redundant variables from the survey data and to reduce the number of variables into a definite number of dimensions. The application was done in SPSS 16.0. The factor analysis was performed using principle component extraction method with varimax rotation. After performing factor analysis, the 20 variables were reduced to six factor dimensions, which explained 71.62% of cumulative variance which is indicating that the variance of original values was captured by these six factors as shown in Table 4.

The six factors are provisionally named Communication, Infrastructure, Benefits, After Sales Services, Assortment Quality and Human Resources. The factor scores of determinants of consumer patronage are presented in the Table 5.

Factor Scores Matrix - Determinants of Consumer Patronage:

Table 5: Factor Scores Matrix - Retail Outlet Determinants

Attributes	Communication	Infrastructure	Benefits	After sales services	Assortment quality	Human Resources
In store Announcements	0.85					
Tele Marketing Services	0.83					
Customer Helpline	0.72					
Promotion of outlet and stock	0.52					
Facilities in outlet		0.80				
Parking Facilities		0.70				
Easy Internal Mobility		0.61				
Interiors and Layout Design		0.53				
Gift Wrapping			0.81			
Free gifts			0.74			
Gift Voucher			0.51			
Alteration/Installation Services				0.83		
Exchange Services				0.65		
Home Delivery				0.57		
Quality of Merchandise					0.82	
Merchandise Assortment					0.72	
Customer Interaction						0.78
Salesman behavior						0.68
Extraction Method: Principal Component Analysis. Rotation Method: Varimax with Kaiser Normalization.						

The factor scores matrix of determinants of consumer patronage shows the associated variables in all the six factors and their relative factor scores as presented in Table 5. The factor scores in the factor scores matrix represent the priority of determinants of consumer patronage for retail outlets choice. The first factor formed is communication with an Eigen value of 5.324, variance of 25.64% and four associated variables. The associated variables are In-store announcements (factor score 0.85), Telemarketing Services (0.83), Customer Helpline (0.72) and Promotion of Outlet and Stock (0.52). The second factor formed is Infrastructure with an Eigen value of 2.958, variance of 15.42% and four associated variables. The associated variables are Facilities in Outlet (0.80), Parking Facilities (0.70), Easy Internal Mobility (0.61) and Interiors and Layout Design (0.53). The third factor formed is benefits with an Eigen value of 2.123, variance of 11.36% and three associated variables. The associated variables are Gift Wrapping (0.81), Free Gifts (0.74) and Gift Voucher (0.57). The fourth factor formed is benefits with an Eigen value of 1.354, variance of 7.65% and three associated variables. The associated variables are Alterations/Installations (0.83), Exchange Services (0.65) and Home Delivery (0.57). The fifth factor formed is Assortment Quality with an Eigen value of 1.245, variance of 6.31% and two associated variables. The associated variables are Quality of Merchandise (0.82) and Merchandise Assortment (0.72). The sixth factor formed is Human Resource with an Eigen value of 1.125, variance of 5.24% and two associated variables. The associated variables are Customer Interaction (0.78) and Salesman Behaviour (0.68). Two variables, Shopping Hours and Baggage Counters are eliminated while performing factor analysis with statistical package SPSS.

Finding Customer Satisfaction Index:

In this section an attempt has been made to identify overall customer satisfaction towards retail outlet, categorized as in-store satisfaction and post purchase satisfaction. Considering these two variables as a factor, factor analysis was performed on the customer satisfactions which are recorded on a five point likert scale. To determine the data reliability, reliability test was performed on the data of customer satisfaction of retail outlets. The value of the Cronbach's Alpha is found to be 0.656, which shows the data of retail services is 65.6% reliable which ensures to proceed for further analysis.

To determine the appropriateness of factor analysis for the customer satisfaction on retail services, Kaiser Meyer Olkin (KMO) and Bartlett's Test was performedThe KMO measure is observed to be 0.610 which is higher than the threshold value of 0.5 (Hair et al. 1998). So it can be interpreted that there is no error in 61% of the sample and remaining 39% there may occur some sort of error. Bartlett's Test of Spherincity (x^2 =121.026) is found to be significant ($p < .001$, df 1). Finally it can be concluded that the data of customer satisfaction on retail services is appropriate for factor analysis. The only factor, overall satisfaction named after customer satisfaction index is formed with an Eigen value of 1.578, variance of 60.25% and one associated variable (0.543).

Model Specification and Discussion:

In this section an attempt has been made to analyse the associations among customer expectations on determinants of customer patronage and customers satisfactions on retail outlets. Considering customer satisfaction index as dependent variable and the formed six factors as independent variables, a multiple regression model is proposed as follows.

Customer Satisfaction Index (ICS) = f (Communication, Infrastructure, Benefits, After Sales Service, Assortment Quality, Human Resources) [1]

Table 6: ANOVA Table

Model		Sum of Squares	df	Mean Square	F	
1	Regression	27.7897	6	4.63161	5.00373	0.000
	Residual	271.21	293	0.92563		
	Total	299	299			

Source: Regression Analysis (SPSS 16.0)

The proposed model is statistically significant at 0.000 level with an f value 5.003 and degrees of freedom 6 as shown in the Table 6, R is found to be 0.803 and R^2 is found to be 0.383. Hence it can be concluded that all the independent variables are able to explain only 38.3% in dependent variable. It can be further analysed that only 38.3% customers are satisfied with the patronage determinants and in remaining 61.7% there is a gap between customer expectations and customer satisfactions w.r.t. identified determinants of customer patronage for retail choice.

The summary of the model is presented in the Table 7, customer satisfaction index as dependent variable and determinants of customer patronage for retail outlet choice as independent variables (six formed factors).

Customer Satisfaction Index (ICS) = -3E-16 + 0.06325 Communication + 0.04552 Infrastructure – 0.0594 Benefits + 0.13488 After Sales Service + 0.13488 Assortment Quality + 0.06167 Human Resources) [2]

Table 7: Associations Among Store Determinants and Customer Satisfaction

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
			Std. Error	Beta		
1	(Constant)	-3E-16	0.05555		-6E-15	1
	Communication	0.06325	0.05564	0.06325	1.13687	0.26
	Infrastructure	0.04522	0.05564	0.04522	0.81266	0.42
	Benefits	-0.0594	0.05564	-0.0594	-1.0678	0.29
	After Sales Services	0.13488	0.05564	0.13488	2.42416	0.02*
	Assortment Quality	0.24773	0.05564	0.24773	4.45243	0.00*
	Human Resources	0.06167	0.05564	0.06167	1.10846	0.27

*Significant

Out of six patronage determinants only two determinants are found to be significant i.e. After Sales Services and Assortment Quality.

Remaining four determinants Communication, Infrastructure, Benefits and Human Resources are not found to be significant. It can be concluded that if the level of after sales services is increasing, the level customer satisfaction is also increasing. As well as if the outlet is able to offer qualitative assortment to the customers, the level of customer satisfaction is also increasing. Among the other four variables, communication, infrastructure and human resources are loaded with positive correlation coefficients whereas the determinant benefits is loaded with negative correlation coefficient.

Conclusion

The major finding of the study is that there is a gap between customer expectations and perceptions is found to be 61.7% w.r.t the selected determinants of customer patronage for retail outlets. The retailers have to concentrate on reducing the gap by improving the performance of identified determinants.

Most of the customers shopping in the outlets are in the age group between 20 years to 40 years of age with an income between Rs.15,000/- to Rs.30,000/-. The retail marketers have to target these customers as they tend to shop more.

The frequency of shopping by the customers is mostly monthly once (36.67%) and also found that majority of the customers are shopping in the first week of the month. The retailers have to start their promotion in the last week to first week of the month about the new arrivals of the stock.

Majority of the customers are shopping in the nearest outlet from their home. The customers residing the area of the distance less than one kilometer and less than three kilometers of radius from the outlet are the major target customers for the retail outlets. The promotional efforts of the retailer should be more in the nearby surrounding area of retail outlet.

The determinants in-store announcements, facilities in the outlet, gift wrapping, alteration & installation services, quality of merchandise and customer interaction are loaded with high factor scores. The retailers have to put more efforts on these determinants as they are highly expected determinants that influence customer patronage towards selecting a retail outlet for shopping.

Telemarketing efforts, customer help line, parking facilities, free gifts, exchange policy, merchandise assortment and salesman behavior are the next expected determinants that influence customer patronage.

Promotion of outlet & stock, easy internal mobility, interiors & layout design, gift vouchers, home delivery are less expected determinants that influence customer patronage towards selecting a retail outlet for shopping.

After sales services and assortment quality are found to be satisfactory in the study area and communication, infrastructure, benefits and quality of human resources in the outlets are still required to be improved.

Limitations

The study limits to the city of Visakhapatnam only, the sample size may not be representing the study area properly as the chances of occurring sampling error is moderate to high. Basing on the review of literature, the present study concentrates only on twenty determinants of customer patronage for choosing retail outlets, but there may be more than twenty determinants which determine the customer patronage.

Scope for Further Research

The study can be organized in other cities of India as well as across the world.

Apart from the organized shopping malls, the study can be applied to unorganized retail outlets also.

The study can be organized by considering more determinants to draw the further results.

The study can be organized in services sector like banking, insurance, tourism, hotel etc by identifying respective determinants in those sectors.

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