# FACTORS INFLUENCING THE CONSUMER'S CHOICE OF RETAIL STORE

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**Abstract**

*Indian retail industry has emerged as one of the most dynamic and fast-paced industries due to the entry of several new players. Total consumption expenditure is expected to reach nearly US$ 3,600 billion by 2020 from US$ 1,824 billion in 2017. It accounts for over 10% of the country's gross domestic product (GDP) and around eight% of the employment. India is the world's fifth-largest global destination in the retail space. India ranked 73 in the United Nations Conference on Trade and Development's Business-to-Consumer (B2C) E-commerce Index 2019. India is the world's fifth largest global destination in the retail space and ranked 63 in World Bank's Doing Business 2020. India is the world's fifth largest global destination in the retail space. In FDI Confidence Index, India ranked 16 (after US, Canada, Germany, United Kingdom, China, Japan, France, Australia, Switzerland, and Italy). Present study explains the descriptive statistics for factors affecting consumer's perception in selecting store for purchasing different goods.*

*Keywords: Retailing, Consumer's Perception, Store Selection, Purchasing Behaviour.*

## I. INTRODUCTION

The word '*retail*' is derived from French word retailers which means 'to cut a price off 'or to break bulk. The distribution of consumer products begins with the products and ends at the ultimate consumers. Between the producer and the consumer there are middlemen– the retailer, who links the producers and the ultimate consumers. A retailer is a person, agent, agency, company, or organization, which is instrumental in providing the goods, merchandise or service to the ultimate consumers. Retailing is defined as a conclusive set of activities or steps used to sell a product or service to consumer for their personal or family use. It is responsible for matching individual demand of the consumer with supplies of all manufacturers.[1]

Philip Kotler "Retailing includes all the activities involved in selling goods or services to the final consumers for personal or non-business use. A retailer or retail store is any business enterprise whose sale volume comes primarily from retailing"

North American Industry Classification System (NAICS): "The retail trade sector comprises of establishments primarily engaged in retailing merchandise, generally without transformation, and rendering services incidental to the sales of merchandise".[2]

Retail is a final step in distribution system that involves selling merchandise (Goods and Services) in original form in small quantity directly to the consumers for their personal, family or household use. It is the only stage where consumers come in direct contact with sellers (or retailers). Retailing is one of the oldest businesses of mankind and almost close to settled agriculture, as its origin can be traced back to the time when exchange of goods started taking place. As the development of human civilization took place and business as an entity took birth, the direct producer-to-consumer interaction gave way to business-to consumer interaction. Any business to consumer interaction in the present context can be termed as retailing. Retailing therefore encompasses all forms of direct marketing too in its broader sense. The person who is involved in retailing is called retailer and his business is called retailed business. Retail shops, departmental stores, showrooms, and government approved fair priced stores, the canteen stores, the post office, mobile vendors, multiplexes, and many others are called retailers. Retailing is the last stage in any mode of distribution system. Banking, transportation, telecommunication, cyber marketing, internet, consumer guidance agencies, etc. facilitate retailing.[3]

**Key Elements of Retailing:**

Retailing is a distribution channel function where one organization buys products from supplying firms or manufactures the product themselves, and then sells these directly to consumers. A retailer is a reseller (i.e., obtains product from one party in order to sell to another) from which a consumer purchases product.

Following are the key elements (features) of retailing.

- Retail must be ultimate stage of distribution; product must be sold after retailing.
- Retailing must involve individual dealing or personal dealing between consumer and retailer.
- Products must be sold directly to consumers for their personal or family use.
- Products must be sold in original form, without making any type of change.
- Product must be sold to ultimate users in small quantity.
- Retailing must involve repeat transactions. Retailer sells the same merchandise repeatedly to same group of consumers.

- All fundamentals of marketing can be applied to retailing, i.e., all marketing decisions can be applied to this sector.

- Retail trade is carried out by manufacturers, their agents, or by independent organizations.

- Retailing must involve the transfer of ownership or title.

- Successful retailing needs various facilities such as banking, transportation, telecommunication, cyber marketing, internet, and consumer guidance agencies.[4]

**Retail Consumers:**

Consumer satisfaction is the key to succeed. A firm exists for its consumer satisfaction. Retailer has to understand consumers for developing successful retailing strategy. He can satisfy consumers only when he understands them in terms of consumer's needs, wants, habits, paying ability mode of payment, attitudes, services they expect, and so forth. Knowledge about consumer seems critical due to intense competition.

Retailing is a prosperous industry which presence in our day-to-day life, where the Retailers use to buy products or services in bulk from the manufacturers & suppliers and redistribute the same to the ultimate consumers in small quantities at the time of their requirements. In this aspect retailing is an industry which alienated with both domestic and foreign business vendors in the form of organised as well as unorganised method of supply. Due to the recent penetration of organised retailers in various retail businesses made the existing unorganised retailers to change their business strategies not only to survival in the business but also for retaining the existing buyers in their respective businesses. The penetration of organised retailers in India (both local as well as global suppliers (Shortly known as "Glocal") made the consumers to demand for quality product along with astonishing value added services both from organised as well as unorganised retailers, countries like India till date having the retailing system which are dominated with more number of unorganised retailers do the business as in the form of conventional stores (Kirana stores) deliver better services to consumers' stands as the stiff competitors for the organised retailers and at the same the emerging organised retailers and the strategies employed by them also make the existing unorganised retailers to choose for modern way of doing retail business. Because of the competition revolve around both organised and unorganised retailers, the perception of consumers about them also constantly changes based on the type of products being dealt, pricing methodologies, delivery system and value-added services in term of customer

relationship management (CRM). CRM is, as a process that will help bringing together lots of pieces of information about customers, sales, marketing effectiveness, responsiveness and market trends. It is a widely implemented strategy for managing a company's interactions with customers, clients and sales prospects. It involves using technology to organize, automate, and synchronize business processes principally sales activities, and also those for marketing, customer service, and technical support. In short, a retailer needs to know about following aspects:

- Who constitute the retail market?
- What the retail market needs and wants?
- Where do consumers reside?
- How do they place order and pay bills?
- What services do they want?
- When, where and how much do they buy?
- Which are the factors that affect their buying decisions?

**Indian Retail:**

Retail industry in India is emerging as a one of the largest industries estimated to account for more than 10 per cent of the country's GDP and around 8 per cent of the employment. Its highly dynamic and fast-growing nature has put India on the threshold of a major shake-up to become the next retail boom area. Despite global slow-down and economic recession faced by most of the established as well as developing countries Indian economy has weathered the storm showing a fast track come back on the pre-recession stage.

Retail industry is divided into unorganised and organised sectors. In India, unorganized retailing has been predominantly in the form of local Kirana shops also called Mom-n-Pop stores, owner/ manned general stores, paan/beedi shops, convenience stores, hand cart and pavement vendors, etc. Organised retailing on the other hand refers to licensed retailers, who are registered for sales tax, income tax, etc. including corporate-backed hypermarkets and retail chains besides the privately owned large retail businesses. The retail sector is expanding and modernizing rapidly in line with India's economic growth and recent Government of India's initiatives.

Modern retail sector is at the crossroads where the growth of organised retailing and growth in the consumption by the Indian population is going to take a higher growth trajectory. Itis undergoing a major transformation as entry of global players and watchful expansion by major

Indian retailers has opened new vistas of joint ventures, tie-ups and franchise offering new formats, services, private labels, locations and recently to diverge from metros to smaller towns, Arvind Singhal Chairman Technopak Advisors has rightly said that, "A lot of international retailers and brands are most likely to look at India, as global markets have stabilized and the Indian economy has proved to be better than most other countries.[5]

**Concept of Malls in India:**

The concept of Retail as entertainment came to India with the advent of malls. Mall fever has touched every facet of Indian society. Whatever is the income stratum of consumers, malls make no distinction in proffering most-revered national and global brands. Shopping Mall refers to a set of homogenous and heterogeneous shops adjoining a pedestrian, or an exclusive pedestrian street, that make it easy going for shopper to walk from store to store without interference from vehicular traffic. Malls are incorporated with a whole bank of lifts and escalators for smooth transit of shoppers. Malls are located in proximity to urban outskirts, and ranges from 60,000 sqft to 70,000 sqft and above. The future of organised retailing is largely in the hands of mall where the shoppers get quality, quantity, aspirational appeal, recreation facilities and ambience. Under one roof, the flashy malls promise just about everything under the sun, from foreign gizmos to the very desi, virtually an airbus full of national and international brands, to say the least. Malls offer a plethora of attractions- high profile shopping, impulse eating establishment, a glitzy and glamorous environment to discerning shoppers of more refined tastes, who are more concerned with quality and fashion and less concerned with budgets. Mall reveals six factors namely comfort, diversity, luxury, mall essence, entertainment, and convenience which are a source of cynosure.[6]

**Consumer Behaviour:**

Consumer behaviour is the study of individuals, groups, or organizations and the processes they use to select, secure, and dispose of products, services, experiences, or ideas to satisfy needs and the impacts that these processes have on the consumer and society.[7]

The term consumer behaviour is defined as the behaviour that consumer display in searching for, purchasing, using, evaluating and disposing of products and services that they expect will satisfy their needs. Consumer behaviour focuses on how individuals make decisions to spend their available resources (time, money, effort) on consumption-related items that includes what they buy, why they buy, when they buy it, where they buy it, how often they buy

it, how often they use it, how they evaluate it after the purchase and the impact of such evaluations on future purchases, and how they dispose of it.

There are two different kinds of consuming entities: the personal consumer and the organizational consumer. Personal Consumer buys goods and services for his or her own use, for the use of the household or as a gift for a friend. The products are bought for final use by individuals, who are referred to as end users or ultimate consumers. Organizational consumers include profit and non-profit businesses, government agencies (local, state, national) and institutional (e.g., schools, hospitals, and institutions), all of which buy products, equipment, and services in order to run their organizations.[8]

## II.    MATERIALS AND METHODS

**Sampling Element:** The study is carried out in Jalandhar and Ludhiana cities of Punjab. The consumers visiting different retail stores in these cities are taken as target consumers.

**Sampling Technique:** Purposive, quota and judgement sampling method have been used in the present study. The populations elements have been selected on the basis of own judgment.

**Sample Size:** The sample has been composed of 400 consumers, 200 each from Jalandhar and Ludhiana who visit various retail stores for shopping.

**Sampling Unit:** The consumers shopping at different retail stores are the primary unit of analysis. The behavior of these consumers is observed and data is collected through questionnaire method.

**Tools and techniques of data collection:**

**Secondary Data:** In order to get a complete understanding of the marketing concept, its operationalization and implication, the secondary data is essential. Therefore, the first step in the research involves collection of secondary data from all possible sources that directly or indirectly focuses on the theme. Secondary data was collected from publications, journals, magazines, books, statistical reports, data bases and internet. Secondary data in shape of literature review is guideline for data analysis, which is also helpful in finding the answer of research question to value and compare primary data.

**Primary Data:** Primary data in the form of the response of consumers, which was of immense importance and backbone of the study, was obtained from consumers with the help of widely used fully structured questionnaire. It has been prepared to get information

from the consumers who visit retail stores for shopping. They are those consumers who are living in particular cities. In order to study their choice regarding retail format, factors affecting the satisfaction level of consumers have been taken into consideration.

**Analysis and Interpretation of Data:** Keeping in view the nature of study, the data collected has been analyzed and interpreted with the help of the following methods:

**Mathematical Methods:** In the present study, the data collected has been analysed with the help of mathematical methods such as simple average and percentage methods where needed.

**Statistical Methods:** Statistical methods provide an indispensable tool for collecting, organizing, analyzing and interpreting data expressed in numerical terms.

## III. RESULTS AND DISCUSSION

Table 1 explains, the descriptive statistics for factors affecting the satisfaction level of consumers of retail stores. The table shows the values of mean, standard deviation, skewness and kurtosis for thirty variables. Further, the table depicts that the mean value is highest i.e., 3.59 in case of two variables i.e., the employees in the store are knowledgeable and there remain a lot of shoppers in the store. Therefore, it can be said that knowledge of the store employees and number of shoppers are most important variables which affects the satisfaction level of consumers of retail stores.

**Table 1 Descriptive Statistical Analysis of factors affecting the satisfaction level of consumers**

| S.No. | Statements | N | Min. | Max. | Mean | Std. Deviation | Skewness | Kurtosis |
|---|---|---|---|---|---|---|---|---|
| 1 | The store has enough employees to serve the customers. | 400 | 1 | 5 | 3.52 | 1.195 | -.536 | -.602 |
| 2 | The store employees are well-dressed and appear neat. | 400 | 1 | 4 | 2.81 | .658 | -.522 | .684 |
| 3 | The employees in the store are friendly. | 400 | 1 | 4 | 2.98 | .825 | -.393 | -.521 |
| 4 | The employees in the store are helpful. | 400 | 1 | 5 | 3.35 | .948 | -.134 | .052 |
| 5 | The employees in the store are knowledgeable. | 400 | 1 | 5 | 3.59 | .948 | -.943 | .632 |
| 6 | The store employees greet me courteously when I enter the store. | 400 | 1 | 4 | 3.01 | .784 | -.516 | -.054 |
| 7 | The store appears very crowded to me. | 400 | 1 | 4 | 3.01 | .838 | -.507 | -.374 |

| 8 | The store seems somewhat too busy. | 400 | 1 | 4 | 3.11 | .860 | -.499 | -.801 |
|---|---|---|---|---|---|---|---|---|
| 9 | I don't have to face much traffic in the store during my shopping visits. | 400 | 1 | 5 | 3.34 | .931 | -.189 | .139 |
| 10 | There remain a lot of shoppers in the store. | 400 | 1 | 5 | 3.59 | .913 | -.864 | .214 |
| 11 | The colour scheme is pleasing. | 400 | 1 | 5 | 3.43 | 1.214 | -.414 | -.860 |
| 12 | The colours used in the store seem to be of latest fashion. | 400 | 1 | 4 | 2.81 | .627 | -.504 | .754 |
| 13 | The store has attractive physical facilities. | 400 | 1 | 4 | 2.95 | .782 | -.351 | -.333 |
| 14 | The merchandise in the store appears organised. | 400 | 1 | 5 | 3.29 | .954 | -.145 | -.052 |
| 15 | The Store has logically placed merchandise. | 400 | 1 | 5 | 3.54 | .993 | -.799 | .076 |
| 16 | Navigation in the store is easy. | 400 | 1 | 4 | 2.97 | .836 | -.250 | -.863 |
| 17 | The store has sufficient aisle space. | 400 | 1 | 4 | 3.00 | .841 | -.423 | -.558 |
| 18 | The store has impressive inside displays. | 400 | 1 | 4 | 3.06 | .847 | -.363 | -.937 |
| 19 | There is adequate display of in-store information. | 400 | 1 | 5 | 3.31 | .936 | -.101 | -.054 |
| 20 | The decor of store is pleasing to me. | 400 | 1 | 5 | 3.54 | .990 | -.696 | -.168 |
| 21 | The lighting in the store is pleasing to me. | 400 | 1 | 5 | 3.50 | 1.199 | -.430 | -.775 |
| 22 | The lighting in the store accentuates the products that are displayed in the store. | 400 | 1 | 4 | 2.82 | .639 | -.401 | .542 |
| 23 | The background music in the store makes the shopping pleasant. | 400 | 1 | 4 | 2.98 | .751 | -.321 | -.302 |
| 24 | The background music in the store does not bother me. | 400 | 1 | 5 | 3.35 | .913 | -.009 | -.016 |
| 25 | The background music in the store is appropriate. | 400 | 1 | 5 | 3.57 | .928 | -1.054 | .944 |
| 26 | The store carries dependable products. | 400 | 1 | 5 | 3.45 | 1.143 | -.414 | -.668 |
| 27 | The store has a wide selection of merchandise. | 400 | 1 | 4 | 2.81 | .658 | -.353 | .353 |

| 28 | The store is fully stocked. | 400 | 1 | 4 | 2.97 | .762 | -.257 | -.506 |
| 29 | The store has high fashion merchandise. | 400 | 1 | 5 | 3.30 | .927 | -.032 | .043 |
| 30 | The store has stylish merchandise. | 400 | 1 | 5 | 3.57 | .950 | -.971 | .537 |

Further, the calculated values of standard deviation reveal high variation in the factors affecting the satisfaction level of consumers. In case of skewness most values are concentrated on the right of the mean with extreme values to the right, so it can be said that distribution is negatively skewed. In case of kurtosis the calculated values are less than three which depicts that distribution is platykurtic, flatter than normal distribution with a wider peak. The probability for extreme value is less than for a normal distribution and the values are wider spread around the mean.

**Kaiser-Meyer-Olkin Measure of Sampling Adequacy and Bartlett's Test of Sphericity:**

Table 2 depicts the results of Kaiser-Meyer-Olkin Measure of Sampling Adequacy and Bartlett's Test of Sphericity. The Kaiser-Meyer-Olkin (KMO) measures the sampling adequacy which should be greater than 0.5 for a satisfactory factor analysis to proceed.

**Table 2 KMO and Bartlett's Test**

| Kaiser-Meyer-Olkin Measure of Sampling Adequacy. | | .915 |
|---|---|---|
| **Bartlett's Test of Sphericity** | **Approx. Chi-Square** | 11873.688 |
| | **Df** | 435 |
| | **Sig.** | 0.000 |

Further, the table shows that the Kaiser-Meyer-Olkin measure is 0.915, which implies that sample is adequate and factor analysis is appropriate for data. Bartlett's test is another indication of the strength of the relationship among variables. This tests the null hypothesis that the correlation matrix is an identity matrix in which each variable correlates perfectly with itself but has no correlation with other variables. Further, Table 2 shows that Bartlett's test of sphericity is significant that is its associated probability is less than 0.05. In fact, it is actually 0.000, i.e., the significance level is small enough to reject the null hypothesis. This means that correlation matrix is not an identity matrix.

**Total Variance:**

Table 3 explains the total variance. Further, table shows all the factors extractable from the analysis along with their eigenvalues, the percent of variance attributable to each factor, the cumulative variance of the factor and the previous factors.

**Table 3 Total Variance Explained**

| Compone | 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 | 7.599 | 25.331 | 25.331 | 7.599 | 25.331 | 25.331 | 7.288 | 24.293 | 24.293 |
| 2 | 7.022 | 23.407 | 48.738 | 7.022 | 23.407 | 48.738 | 7.288 | 24.293 | 48.587 |
| 3 | 4.025 | 13.418 | 62.156 | 4.025 | 13.418 | 62.156 | 3.839 | 12.797 | 61.384 |
| 4 | 3.602 | 12.008 | 74.164 | 3.602 | 12.008 | 74.164 | 3.834 | 12.780 | 74.164 |
| 5 | .628 | 2.092 | 76.256 | | | | | | |
| 6 | .586 | 1.953 | 78.208 | | | | | | |
| 7 | .534 | 1.781 | 79.989 | | | | | | |
| 8 | .496 | 1.652 | 81.642 | | | | | | |
| 9 | .449 | 1.498 | 83.140 | | | | | | |
| 10 | .439 | 1.465 | 84.605 | | | | | | |
| 11 | .409 | 1.363 | 85.968 | | | | | | |
| 12 | .395 | 1.318 | 87.286 | | | | | | |
| 13 | .380 | 1.266 | 88.552 | | | | | | |
| 14 | .350 | 1.167 | 89.719 | | | | | | |
| 15 | .343 | 1.145 | 90.864 | | | | | | |
| 16 | .335 | 1.117 | 91.981 | | | | | | |
| 17 | .312 | 1.039 | 93.020 | | | | | | |
| 18 | .283 | .942 | 93.963 | | | | | | |
| 19 | .244 | .812 | 94.775 | | | | | | |
| 20 | .240 | .799 | 95.574 | | | | | | |
| 21 | .216 | .719 | 96.292 | | | | | | |
| 22 | .206 | .687 | 96.979 | | | | | | |
| 23 | .201 | .669 | 97.648 | | | | | | |
| 24 | .187 | .625 | 98.273 | | | | | | |
| 25 | .157 | .524 | 98.797 | | | | | | |
| 26 | .140 | .467 | 99.265 | | | | | | |
| 27 | .080 | .266 | 99.530 | | | | | | |
| 28 | .065 | .217 | 99.747 | | | | | | |
| 29 | .040 | .134 | 99.882 | | | | | | |
| 30 | .036 | .118 | 100.000 | | | | | | |

**Extraction Method: Principal Component Analysis.**

Table 3 reveals that, the first factor accounts for 25.331% of the variance, the second factor 23.407%, third factor 13.418% and the fourth factor 12.008%. All the remaining factors are not significant.

**Scree Plot:**

Figure. 1 shows the scree plot, it is a graph of the eigenvalues against all the factors. The graph is useful for determining how many factors to retain.

**Fig. 1: Scree Plot**
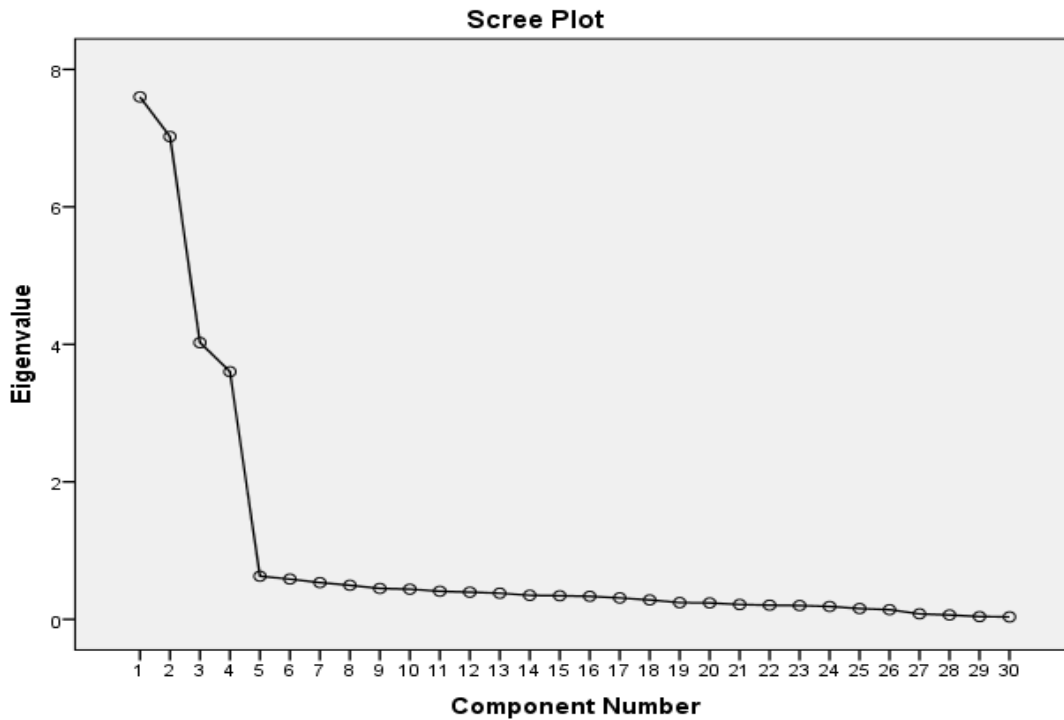


Further, the graph depicts that the curve begins to flatten between factors four and five. Therefore, only four factors have been retained.

**Table 4 Component Matrix:**

| Component Matrix<sup>a</sup> | Component | | | |
|---|---|---|---|---|
| | 1 | 2 | 3 | 4 |
| The store has enough employees to serve the customers. | -.689 | .688 | -.031 | .035 |
| The store employees are well-dressed and appear neat. | -.593 | .548 | -.058 | .113 |
| The employees in the store are friendly. | -.543 | .573 | -.046 | .064 |
| The employees in the store are helpful. | -.639 | .589 | .059 | .037 |
| The employees in the store are knowledgeable. | -.657 | .612 | -.001 | .033 |
| The store employees greet me courteously when I enter the store. | -.594 | .497 | .002 | .059 |
| The store appears very crowded to me. | -.608 | .497 | -.041 | .015 |

| | | | | |
|---|---|---|---|---|
| The store seems somewhat too busy. | -.613 | .599 | -.057 | .030 |
| I don't have to face much traffic in the store during my shopping visits. | -.602 | .627 | -.035 | .035 |
| There remain a lot of shoppers in the store. | -.618 | .622 | -.004 | .032 |
| The colour scheme is pleasing. | .691 | .684 | -.052 | .000 |
| The colours used in the store seem to be of latest fashion. | .571 | .534 | -.016 | -.049 |
| The store has attractive physical facilities. | .563 | .516 | -.018 | .020 |
| The merchandise in the store appears organised. | .583 | .645 | -.077 | .005 |
| The Store has logically placed merchandise. | .660 | .609 | -.090 | -.018 |
| Navigation in the store is easy. | .572 | .530 | -.129 | -.034 |
| The store has sufficient aisle space. | .600 | .532 | -.041 | .010 |
| The store has impressive inside displays. | .596 | .601 | -.023 | .043 |
| There is adequate display of in-store information. | .647 | .586 | -.025 | .024 |
| The decor of store is pleasing to me. | .630 | .643 | -.049 | -.049 |
| The lighting in the store is pleasing to me. | -.009 | .123 | .688 | -.654 |
| The lighting in the store accentuates the products that are displayed in the store. | .011 | .081 | .607 | -.557 |
| The background music in the store makes the shopping pleasant. | -.021 | .133 | .572 | -.540 |
| The background music in the store does not bother me. | -.034 | .145 | .608 | -.625 |
| The background music in the store is appropriate. | -.049 | .060 | .642 | -.622 |
| The store carries dependable products. | .097 | .067 | .698 | .663 |
| The store has a wide selection of merchandise. | .047 | -.030 | .635 | .549 |
| The store is fully stocked. | .052 | -.013 | .536 | .531 |
| The store has high fashion merchandise. | .089 | .099 | .640 | .609 |
| The store has stylish merchandise. | .114 | .015 | .656 | .604 |

**Extraction Method: Principal Component Analysis**

**a. Four components extracted**

The above table reveals the loadings of the thirty variables on the four factors extracted. The higher the absolute value of loading, the more the factor contributes to the variable.

**Rotated Component Matrix:**

Table 5 exhibits the results of rotated component matrix. Further, the table reports that four factors are extracted through factor analysis i.e., social, design, ambience and merchandise. The rotation reduces the number of factors on which the variables under investigation have high loadings.

**Table 5 Rotated Component Matrix**

| Variables | Component | | | |
|---|---|---|---|---|
| | 1 | 2 | 3 | 4 |
| 1 | .974 | .003 | .030 | -.026 |
| 2 | .814 | -.027 | -.060 | .013 |
| 3 | .793 | .026 | -.015 | -.009 |
| 4 | .866 | -.039 | .080 | .040 |
| 5 | .897 | -.030 | .044 | -.006 |
| 6 | .774 | -.068 | .015 | .016 |
| 7 | .781 | -.073 | .017 | -.047 |
| 8 | .859 | -.004 | .005 | -.045 |
| 9 | .869 | .022 | .019 | -.025 |
| 10 | .876 | .004 | .042 | -.007 |
| 11 | -.007 | .973 | .015 | .023 |
| 12 | -.032 | .780 | .063 | .003 |
| 13 | -.034 | .762 | .011 | .050 |
| 14 | .043 | .871 | -.008 | .001 |
| 15 | -.038 | .901 | -.006 | -.020 |
| 16 | -.031 | .788 | -.028 | -.066 |
| 17 | -.049 | .801 | .003 | .029 |
| 18 | .004 | .846 | -.002 | .066 |
| 19 | -.044 | .871 | .008 | .054 |
| 20 | .003 | .901 | .049 | -.014 |
| 21 | .029 | .021 | .956 | .032 |
| 22 | .019 | -.014 | .827 | .043 |
| 23 | .035 | .048 | .795 | .029 |

| | | | | |
|----|------|------|------|------|
| 24 | .032 | .058 | .882 | -.005 |
| 25 | -.041 | .008 | .896 | .018 |
| 26 | .056 | .006 | .022 | .968 |
| 27 | -.043 | -.034 | .051 | .838 |
| 28 | -.019 | -.023 | -.004 | .756 |
| 29 | .077 | .032 | .024 | .889 |
| 30 | .034 | -.046 | .029 | .897 |

**Extraction Method: Principal Component Analysis.**

**Rotation Method: Varimax with Kaiser Normalization.**

**Rotation converged in 4 iterations.**

Further, Table 5 reports the loading of different statements on identified four factors. Following variables are loaded on factor 1 i.e., social: The store has enough employees to serve the customers. The store employees are well-dressed and appear neat. The employees in the store are friendly. The employees in the store are helpful. The employees in the store are knowledgeable. The store employees greet me courteously when I enter the store. The store appears very crowded to me. The store seems somewhat too busy. I don't have to face much traffic in the store during my shopping visits. There remain a lot of shoppers in the store. The variables which are loaded on factor 2 i.e., design are as follow: The colour scheme is pleasing. The colours used in the store seem to be of latest fashion. The store has attractive physical facilities. The merchandise in the store appears organized. The Store has logically placed merchandise. Navigation in the store is easy. The store has sufficient aisle space. The store has impressive inside displays. There is adequate display of in-store information. The decor of store is pleasing to me. In the factor 3i.e., ambience following variables are loaded: The lighting in the store is pleasing to me. The lighting in the store accentuates the products that are displayed in the store. The background music in the store makes the shopping pleasant. The background music in the store does not bother me. The background music in the store is appropriate. All the remaining variables viz. the store carries dependable products. The store has a wide selection of merchandise. The store is fully stocked. The store has high fashion merchandise. The store has stylish merchandise are loaded on factor 4 i.e., merchandise.

**Reliability Statistics:**

The results of reliability statistics have been presented in Table 6. The reliability of the construct is determined by computing the cronbach's alpha. Cronbach's coefficient alpha value of 0.6 is considered acceptable for the exploratory purposes, 0.7 is considered adequate, and 0.8 good for confirmatory purposes.

**Table 6 Reliability Statistics**

| Cronbach's Alpha | Cronbach's Alpha Based on Standardized Items | No of Items |
|---|---|---|
| .867 | .867 | 30 |

Further, table reveals that the Cronbach alpha value based on standardized items obtained is 0.867 which shows high reliability of the scale. The overall reliability and validity of the scale as depicted by Cronbach alpha is well above 0.7, therefore it is valid to use this scale.

## IV. CONCLUSION

Descriptive statistical analysis shows that, knowledge of the store employees and numbers of shoppers are most important variables which affects the satisfaction level of consumers of retail stores. Further, the calculated values of standard deviation reveal high variation in the factors affecting satisfaction level of consumers. In case of skewness most values are concentrated on the right of the mean with extreme values to the right, so it can be said that distribution is negatively skewed. In case of kurtosis the calculated values are less than three which depicts that distribution is platykurtic, flatter than normal distribution with a wider peak. The probability for extreme value is less than for a normal distribution and the values are wider spread around the mean. Study shows that Kaiser-Meyer-Olkin measure is 0.915, which implies that sample is adequate and factor analysis is appropriate for data and Bartlett's test of sphericity is significant, i.e., its associated probability is 0.000, which means that correlation matrix is not an identity matrix. Total variance table reveals that the first factor accounts for 25.331% of the variance, the second factor 23.407%, third factor 13.418% and the fourth factor 12.008% while all the remaining factors are not significant. Scree plot also reveals that only four factors are significant, as the curve begins to flatten between factors four and five. Further, component matrix depicts loadings of the thirty variables on the four factors extracted.

Rotated component matrix shows that only four factors are extracted through factor analysis i.e., social, design, ambience and merchandise. Following variables are loaded on

factor 1 i.e., social: The store has enough employees to serve the customers. The store employees are well-dressed and appear neat. The employees in the store are friendly. The employees in the store are helpful. The employees in the store are knowledgeable. The store employees greet me courteously when I enter the store. The store appears very crowded to me. The store seems somewhat too busy. I don't have to face much traffic in the store during my shopping visits. There remain a lot of shoppers in the store. The variables which are loaded on factor 2 i.e., design areas follow: The colour scheme is pleasing. The colours used in the store seem to be of latest fashion. The store has attractive physical facilities. The merchandise in the store appears organized. The Store has logically placed merchandise. Navigation in the store is easy. The store has sufficient aisle space. The store has impressive inside displays. There is adequate display of in-store information. The decor of store is pleasing to me. In the factor 3i.e., ambience following variables are loaded: The lighting in the store is pleasing to me. The lighting in the store accentuates the products that are displayed in the store. The background music in the store makes the shopping pleasant. The background music in the store does not bother me. The background music in the store is appropriate. All the remaining variables viz. the store carries dependable products. The store has a wide selection of merchandise, the store is fully stocked.  The store has high fashion merchandise. The store has stylish merchandise, are loaded on factor 4 i.e., merchandise. Cronbach alpha shows the overall reliability and validity of the scale above 0.7, which implies that scale used in the study is valid.

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