

## Customer Satisfaction towards Innovative Retail Marketing Strategy of Kerala State Co-operative Consumers' Federation

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### **Abstract**

*The retail landscape of India is witnessing a sea change and Foreign Direct Investment (FDI) in the retail sector is a reality now. In India for a quite long time retail sector was mainly dominated by the sole proprietors. After liberalization, many companies came in to picture and trying their level best to play an active role in the urban consumer market. The British model of consumer cooperatives was introduced in India during the colonial rule. The three tier federal structure of consumer cooperatives viz., primary consumer cooperatives at the village level, and district cooperative wholesale stores at the district level and the Federation at the state level tried to solve the problems of consumers in the country. Unfortunately, the primary consumer cooperatives and district cooperative wholesale stores failed to fulfill the requirement of the consumers in many states. In the state of Kerala too, only the Kerala State Co-operative Consumers' Federation (Consumerfed) is working good with 216 Triveni retail stores, 9 mobile Trivenis, 7 floating Trivenis, 9 Triveni Coffee Houses, 94 Neethi Medical Stores and 46 Foreign Liquor shops.*

*These innovative retail chains of consumer stores are playing a vital role in Kerala to stabilize the price of consumer goods and ensure the availability of essential commodities to the poor. With this background, an attempt was made to study the customer satisfaction towards the functioning of Triveni retail stores. The primary data were collected from 4 standing stores, 2 mobile stores and one floating store. A pre-tested interview schedule was administered among 80 respondents ensuring minimum of ten from each store, who have volunteered to respond at the point of purchase. The variables such as age, sex, religion, place of residence, education, primary occupation, income, purchase pattern, expenditure pattern, frequency of purchase, items purchased, purpose of visit to the stores viz., to purchase general or subsidized goods, problems faced during purchase, awareness about new projects of the Consumerfed were studied. The consumer satisfaction was studied with 15 variables namely convenience, ambience, atmosphere, store hours, packaging, promotion, advertisements, varieties, quality of the products, product display, replacement of defective goods, retail spacing, time taken to purchase, price, customer service by using scaling techniques. The composite index was also calculated and it was 84.05 percent. The index ranges from 58.25 to 95.25 percent. The least score for their promotional activities and the best was for the lowest price in the area.*

*The results show that the youths below the age of 20 were not visiting the stores, 48.8 percent of respondents were female, 60 percent were Hindus, 73.8 percent were rural customers, no illiterates, 42.5 percent were housewives, 61 percent visits to purchase subsidized goods, 57.5 percent respondents monthly income was between Rs.10000 and 20000 and also they spent more for food items, 71.25 percent respondents were living as nuclear family. The retail innovation such as Floating and Mobile Triveni stores has made the life easy for the people living nearer to the backwaters and to the tribes.*

**Keywords:** Consumers, Cooperatives, Retail stores, customer satisfaction, scaling techniques

### **Introduction**

Retailing is as old as settled agriculture. Human civilization started with barter system of trade. This earlier barter system can also be considered as retailing since there was direct dealing between consumers. Over a period of time, many channels of distribution from producer to consumer have emerged and many actors

have started playing their different roles. However, retailing stands still and reaches the consumers. Even in retailing, many forms have been evolved to ensure quality and timely service. Retailing is an important sector of the economy and considered to be the significant factor influencing inflation particularly food inflation.

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The retail landscape of India is witnessing a sea change and Foreign Direct Investment (FDI) in the retail sector is a reality now. In India for a quite long time retail sector was mainly dominated by the sole proprietors. After liberalization, many companies came in to picture and trying their level best to play an active role in the consumer market.

In this juncture satisfying the consumers becomes paramount importance for retail business ventures. Satisfied customers will be loyal to the retail stores and may also bring more new consumers to the firm. Hence, a study on customer satisfaction should be continuous activity of any retailer.

The first Consumer Cooperative Society in the name of Rochdale Society of Equitable Pioneers was established in England in the year 1844 and still works well with many transformations. India adopted this model and after the enactment of Cooperative Societies Act 1912, many consumer cooperative societies were been established. During the Second World War, the Indian consumer cooperative movement played a pivotal role in the distribution of food grains to the people. After independence, India considered the cooperatives as an institutional intervention for the socio-economic development of the people. Of late, consumer cooperatives in India failed to perform better due to vested interest in the management and lack of professionalism. However, Kerala has nurtured the Kerala State Co-operative Consumers' Federation.

Hence, an attempt has been made in this study to understand the Customer Satisfaction towards the Innovative Retail Marketing Strategy of Kerala State Co-operative Consumers' Federation. Here, the innovation is that the strategies to reach consumers directly than promoting their primary consumer cooperative stores.

### Statement of the Problem

The three-tier federal structure of consumer cooperatives viz., Primary Consumer Cooperatives at the village level, and District Cooperative Wholesale Stores at the district level and the Federation at the state level tried to solve the problems of consumers in the country. Unfortunately, the primary consumer cooperatives and district cooperative wholesale stores failed to fulfill the requirement of the consumers in many states. Kerala is

also not an exception and that drove the Kerala State Co-operative Consumers' Federation Limited (CONSUMERFED), here in after called as Consumerfed to spread its wings throughout the state of Kerala. The Consumerfed has taken initiative to start and run retail stores on its own.

The retail market of Kerala includes kirana stores, super markets, margin free markets, national retail chain stores like Reliance and More, and consumers store run by the Primary Agricultural Credit Cooperative Societies. However, Consumerfed positioned well among the consumers of Kerala. Government of India is in favour of liberalizing the retail sector and permitted the multinationals to operate in single brand at the beginning and multiband consecutively. At this juncture the competitiveness of Consumerfed needs to be studied with its stakeholders. The beneficiaries are consumers and they are regular customers too. Hence, a study on customer satisfaction will help to solve their problems.

### Objective of the Study

The objective of the study is to understand the consumer satisfaction towards the functioning of Triveni Retail Stores

### Methodology

The study was based on both primary and secondary data. Review of literature, theoretical framework and organizational profile were sourced from the published works. The data were collected from 7 Triveni stores which include 4 standing stores and 2 mobile stores of Thiruvananthapuram district and one floating store of Ernakulam district. A pre-tested interview schedule was administered among 80 respondents ensuring minimum of ten from each store, who have volunteered to respond at the point of purchase. Secondary data were collected from the head office of Consumerfed (Kochi) for organizational details. The survey was conducted in the month of August 2012.

The data collected were analysed satisfaction index. The composite index and ranking was also calculated by adopting the formula. The value for the indicators is as follows:

Strongly Agree (SA)	::	5
Agree (A)	::	4

No Opinion (NO)	:	3
Disagree (D)	:	2
Strongly Disagree (SDA)	:	1

Composite satisfaction index = Total score of each variable/Maximum score\*100

$$= \frac{\sum X}{M * N * S}$$

$\sum X$  = sum of the total scores of the variables

M = Maximum score

N = Number of respondents

S = Number of variables

### Profile of Kerala State Co-operative Consumers' Federation

The Kerala State Co-operative Consumers' Federation Ltd is the apex body of the consumer Co-operatives in the state of Kerala. This apex body was registered on 4<sup>th</sup> September 1965 and started functioning on 7<sup>th</sup> October 1965. Consumerfed is a state level apex federation of district wholesale consumer co-operative store. The area of operation of Consumerfed is whole of the state of Kerala. This federation brought under the regulatory framework of Kerala State Co-operative Society Act 1969.

The major objective of Consumerfed is to:

- To make bulk procurement of consumer goods and supply to affiliated and/ or other Co-operatives Societies and arrange for proper storage, packing, grading, and transport of such goods.
- To function as agent for the distribution of consumer goods and to import consumer goods whenever necessary.
- To establish and run manufacturing and processing units for production of consumer goods in collaboration with or directly by itself.
- To undertake such promotional and technical activities which are conducive for promotion of interest of consumer movement.

Membership of the federation is confined to the fourteen districts Wholesale Cooperative Consumer Stores and

the State Government. Eleven Primary Cooperative Societies are admitted as associate members. As on 31<sup>st</sup> March 2012, the sharecapital position stood at Rs.5546 lakhs and out which 99% was contributed by the state government.

Management of the Federation is vested with the board of directors consisting 18 members constituted by one representative from each of the 14 District Wholesale Stores and 3 nominees of the government and the Managing Director. The 3 nominees of the State Government include the Registrar of Co-operative Societies.

The following paragraphs explain the various functions of Consumerfed:

#### Triveni Mega Marts, Little Triveni Super Stores

The Kerala State co-operative Consumers Federation was established with main objective of saving the public from the exploitation by retail/ middle man. They are dealing mainly in the whole sale of food and grocery, cosmetics, household and electrical, textiles etc. initially but later on have developed to the network of 216 numbers of Triveni supermarkets, nine mobile Triveni stores, seven floating Triveni super store, nine Triveni coffee houses, noon meal scheme. They have started Triveni units in every assembly constituencies of the state. Triveni mobile units, floating Triveni super stores, Triveni coffee houses and one unit of Triveni noon meal scheme are the uniqueness of Consumerfed to reach hitherto neglected segments.

#### Neethi Scheme

The Neethi Scheme started as per directions of Government of Kerala in 1997 is being successfully implemented through 1000 odd selected Primary Agricultural Credit Cooperative Societies in all districts of Kerala for the distribution of consumer goods at the lowest prices, especially in rural areas. Centralized purchase is being made, as far as possible, from the production centers directly and door delivery of stock is made to the stores. This scheme has proved to be a boon to millions of rural household of the lower income group. Subsidy sale activities are mainly done under this division.

### **Nanma Project**

The scheme is to distribute 10 items of essential commodities at subsidized rates through the network of 2300 retail outlets. More than 2000 of them are run by selected Primary Agricultural Credit Cooperative Societies. Here the items are sold at Primary Agricultural Credit Cooperative Societies 20% less than of market rates. Consumerfed estimated that the consumers are getting benefit to the tune of Rs.1000/- crores annually under various schemes. In the later part of 2012, Consumerfed directly started NANMA stores in the panchayaths/municipalities.

### **Neethi Medical Scheme**

Federation started the "Neethi Medical Stores" with the assistance of Government of Kerala on 1<sup>st</sup> November 1998. Under this scheme medicines are made available to the consumers at a price less than that of 13 to 40% of the Maximum Retail Price. The role of Consumerfed in the scheme mainly is to procure and distribute medicines on wholesale basis as per the requirement of the Neethi Medical stores. For this they have set up 5 Neethi Medical Warehouses. As it was later found that the Neethi Medical stores run by Primary Agricultural Credit Cooperative Societies could not cater the needs of the consumers at satisfactory levels in all the places, especially in urban areas, Consumerfed has decided to enter into retail trade also by setting up directly run Neethi Medical Stores, which has got very good response from the public. As on 31<sup>st</sup> March 2012, there are 93 Neethi Medical Stores directly run by Federation in addition to the 400 stores run by Primary Co-operative Societies. Consumerfed also have proposals to start Neethi Medical store in every Panchayath.

### **LPG Distribution**

During the year 1998 when there was acute shortage for Cooking Gas, Consumerfed, at the instance of Government of Kerala had decided to venture into the field of distribution of LPG by issuing LPG connections to consumers through Neethi Stores. Since Consumerfed had no gas filling plant and organizational set up for the distribution of LPG at that time, they have started the distribution by sourcing LPG cylinders from two parallel private marketers. Later on they have purchased a LPG Bottling Plant in Palakkad and supply of LPG

began from there in May 2000. LPG of high quality is being distributed to more than 60,000 consumers under the brand name 'Neethi Gas'. Consumers have shown interest in the "Suneethi Gas" launched in 2007. Consumerfed has also undertakes the refilling for Bharat Petroleum Limited on commission basis.

### **Foreign Liquor Business**

During the year 2001-2002 due to the change in liquor policy of Government, Consumerfed has ventured in the field of Foreign Liquor business. Due to the high rate of Kisth (License Fee payable to Government) and Turn over Tax rate, when compared with the trade margin permitted by Government, this business has resulted in heavy loss from its inception. The accumulated loss up to 31<sup>st</sup> March 2006 was to the tune of Rs.24 crores. From 2006-07 onwards the government has introduced radical changes in purchase policy and matters related to foreign liquor business which made the business a turnaround. During the last 5 years foreign liquor business is working in profit. As on 31<sup>st</sup> March 2012 Consumerfed have 46 foreign liquor shops.

### **Triveni Notebooks' and School Markets**

Consumerfed have started the manufacture and sale of Notebooks in the brand name of 'Triveni' engaging the skilled workers of Kunnamkulam, a rural area in Trichur District of Kerala, under their direct supervision and control. These notebooks are of high demand among the students community. They have their own godown at Kunnamkulam, constructed with the financial assistance of National Co-operative Development Corporation for the storage and distribution of Triveni notebook. The quality and price structure of these notebooks is far better than the other brands available in the market. At the time of school re-opening Consumerfed conducts school markets in the educational hubs to cater the needs of the students.

### **Computer Stationery Business**

In June 2005 Consumerfed has commissioned their computer stationery unit at Kunnamkulam along with the notebook unit. All types of computer and other stationery items required for Co-operatives and Government Departments are sold here.

### Stationery Division

Consumerfed has a separate unit for the sale of office stationery items at the head office premises. Requirements of Government and other offices are met from here. They also deal in students requirements in this unit.

### Triveni Hurry Curry Spices Powdering Unit

Hurry Curry Masala prepared and packed in the spices powdering unit at Thiruvananthapuram is fair priced, high quality products having high demand in the market.

### Copra and Paddy Procurement

Consumerfed was appointed as the State nodal agent along with Kerafed and Marketfed for the procurement of Copra, Coconut and Paddy under the Minimum Support Price scheme-2010 by the Government. Consumerfed has started the procurement operations from 21/01/2009 and the procurement is continuing.

### Triveni Coffee Houses

Triveni Coffee houses are a new venture of Consumerfed. Taste and quality are the blends of the products from Triveni Coffee Houses. Rates are added attraction. 8 such units have already started. Consumerfed is planned to increase the number of Coffee Houses to 15. The first Triveni Low Budget Hotel was started at Devikulam.

### Triveni Noon-meal Scheme

Employees, especially ladies in major Cities and Towns are finding it difficult to get hygienic noon meal at reasonable rates nearer to their working places. Many of the Government offices are not having canteen facilities. Even if there is canteen the quality, taste and hygienic conditions compels the consumers to keep away from them. To solve this problem, Consumerfed proposed to start a noon meal scheme for office goers in important cities and towns. Meals prepared with high quality and taste in catering units is delivered to offices in time through delivery vehicles. Further the Consumerfed proposed to start production units in Thiruvananthapuram, Ernakulam, Kozhikkode, Kollam and Trissur. The first Noon Meal Unit started at Ernakulam is functioning well!

### Subsidy Sale of Essential Commodities

From its inception during the Festival seasons like Onam, X-Mas, Bakrid and Ramzan, Consumerfed successfully intervenes in the market and control the possible price hike by selling some of the essential commodities, which are of high demand during festival seasons such as rice, chilly, sugar, coconut oil etc at subsidised rates through the special festival markets. The year 2007 witnessed an unprecedented price hike for essential food items. To combat this situation Consumerfed at the direction of Government conducted subsidy sale of 21 items of essential commodities through the noble scheme. "Sahakarana Vipananam Keraleeyam" has helped to bring down the prices. When there was scarcity for rice and prices were at the peak in open market Consumerfed has balanced the market position by selling rice at fair price.

### Description of the Sample Respondents

The socio-economic characteristics of the customers affect the purchase from Triveni stores. Depending upon various socio-economic factors like age, gender, monthly income, family size, place of residence, the buying behavior of the customer will vary. The following paragraphs describe the sample respondents:

Age wise classification of respondents indicates that 36% of the respondents were belonging to the age group 40-50, 24% of the respondents were in the age group of 30-40 and 23% of the respondents were above the age of 50. Only 17% of the respondents were in the age group 20-30. So we can conclude that most of the customers visiting Triveni store were middle aged people and the Triveni stores are not attracting youths.

Sex wise classification of respondents reveals that 51% were male and 49% were female. The results also indicate the state's status of sex ratio.

Religion and caste wise analysis indicates that 60% of the respondents were Hindus, 31% Christians and only 9% of the respondents were Muslims. Only 6% of the respondents were belonging to Scheduled Caste and Scheduled Tribes. 50% of the respondents were belonging to Other Backward Communities and 44% percent were general category customers. From the table we can conclude that most of the consumers coming to the Triveni store were Hindus and among them OBC

were in significant number. It is not in line with the demographic status of the state.

74% of the respondents were from the rural region and only 26% of the respondents were from the urban region. This is because most of the Triveni stores selected for the study were in rural region. However, rural Kerala is relatively in a better position when compared to other parts of India.

Only 29 percent of respondents were living in joint family, where as 71 percent opted nuclear family life, which discloses the changing family pattern in Kerala.

Education wise classification of the respondents indicates that 39% of the respondents were graduates and 38% of the respondents have studied up to SSLC. 21% of the respondents have studied up to Higher Secondary. Only 2% of the respondents were Post Graduates. From the analysis it can be concluded that the customers visiting Triveni store were either literate or educated. The data also reveals the fact that the state is fully a literate state.

Occupation wise classification of respondents shows that 42% of the respondents were house wives. 28% of the respondents were farmers. 24% of respondents were having jobs in the private firms, and 4% of the

respondents were doing business. The respondents who were having the government job were only 1%. Only 1% of the respondents were professionals. From the figure it can be inferred that the Triveni stores attracts more house wives.

Monthly income wise classification of respondents illustrates that 24% of the respondents were having a monthly income of less than Rs.10000. 57% of the respondents were having a monthly income of Rs.10000-20000. 16% of the respondents were under the income class of Rs.20000-30000. Only 3% of the respondents were having the monthly income between Rs.30000 and Rs.40000. None of the respondents were having monthly income of above Rs.40000. From the table1, it can be inferred that most of the customers coming to Triveni stores were middle class having monthly income between Rs.10000 and 20000.

#### Purchase Pattern

A study on the monthly purchase pattern of the consumers was conducted during the survey. It helped to analyze how the consumers were spending the monthly income for purchase from Triveni stores. The following table relates the monthly income with purchase pattern.

Table 1 : Monthly Budget on Purchase from Triveni store

Sl. No	Monthly Income of respondents (Rs.)	Monthly Budget on Purchase (Rs.)						Total
		<500	500-1000	1000-2000	2000-3000	3000-4000	>4000	
1	<10000	3(115.78) (33.33)	5(26.31) (15.62)	2(10.52) (25)	6(31.57) (66.66)	3(15.79) (30)	0(0)	19(23.75)
2	10000-20000	5(10.86) (55.55)	18(39.13) (56.25)	5(10.86) (62.5)	3(6.52) (33.33)	5(10.86) (50)	10(21.74) (83.33)	46(57.5)
3	20000-30000	1(7.69) (11.11)	9(69.23) (28.125)	0(0)	0(0)	2(15.38) (20)	1(7.69) (8.33)	13(16.25)
4	30000-40000	0(0)	0(0)	1(50) (12.5)	0(0)	0(0)	1(50) (8.33)	2(2.5)
	Total	9(11.25) (100)	32(40) (100)	8(10) (100)	9(11.25) (100)	10(12.5) (100)	12(15) (100)	80(100) (100)

Note: Figures in parenthesis denote percentage to total

Source: Compiled from primary data

The above table depicts that 40% of the respondents were spending every month an amount of Rs.500 to Rs.1000 for making purchase in the Triveni stores. 57% of the customers visiting Triveni store had monthly income between Rs. 10000-20000. 27.5 % of respondents spend more than Rs.3000 per month in the Triveni stores.

Regarding the frequency of purchase of goods from Triveni store the study results shows that 50% of the respondents were purchasing the goods as and when required, 16 % weekly, 13 % fortnightly and 13% monthly. Only one out of 80 respondents was purchasing daily from the store. Hence, it is relatively difficult process to forecast the demand for the products. However, the store should have enough goods to satisfy the demand of the customers.

The analysis depicts clearly that 58 percent of respondents were purchasing only food grains and groceries, 16 % were purchasing food grains, groceries

and household items, 15 % were purchasing food grains, groceries and stationeries. Customers who purchase cosmetics were very limited in number. It leads us to conclude that Triveni Retail Stores serves the basic requirements of the citizens than the luxury items.

Moreover 61% of the consumers visiting Triveni store to buy the subsidized product. Only 39% of the respondents have gone to Triveni to buy the general products. This indicates that there is a huge demand for the subsidized items supplied through Triveni stores.

### Expenditure Pattern

The monthly expenditure pattern of the respondents for different objects like food, education, dress, house hold, medicine, insurance, loan, provident fund, etc. were observed during the survey. The amount saved per month was also included in the study. However, for the purpose of this paper, only expenditure on food has been taken in to consideration.

**Table 2 : Monthly Income of Respondents and Expenditure for Food**

Sl. No.	Monthly Income of Respondents (Rs.)	Expenditure for food (Rs.)						Total
		500-1000	1000-2000	2000-3000	3000-4000	4000-5000	>5000	
1	<10000	0(0)	2(10.5) (15.38)	9(47.36) (25.71)	8(42.10) (33.33)	0(0)	0(0)	19(23.7)
2	10000-20000	0(0)	10(21.7) (28.57)	20(43.4) (57.14)	12(26.0) (50.0)	4(8.69) (50.0)	0(0)	46(57.5)
3	20000-30000	0(0)	1(7.69) (7.69)	6(46.15) (17.14)	3(23.08) (33.33)	3(23.08) (37.5)	0(0)	13(16.2)
4	30000-40000	0(0)	0(0)	0(0)	1(50.0) (4.16)	1(50.0) (12.5)	0(0)	2(2.5)
	Total	0(0)	13(16.2) (100)	35(43.7) (100)	24(30.0) (100)	8(10.0) (100)	0(0)	80(100) (100)

Note: Figures in parenthesis denote percentage to total

Source: Compiled from primary data

From the table we can conclude that most of the respondents (44%) were spending Rs. 2000-3000 per month for food. Only 10% of the respondents were spending Rs. 4000-5000 for food and most of them belong to the income class Rs.10000-20000.

### Problems Faced During the Purchase of Goods from Triveni Stores

An attempt was also made in this study to understand the

problems faced during the purchase of goods from Triveni stores. 60% of the respondents indicated unavailability of the basic goods as the main problem during purchase. The availability of the product is among the major factor affecting the selection of retail store by the customer. It will also affect the customer perception. Long queues for subsidized items and lack of shopping space are other two problems faced by the respondents.

**Awareness about Special Scheme**

Nanma is special scheme to serve the poor mass of the state with basic necessities for the families in Kerala. But only 24% of the respondents knew about the new project of Consumerfed and of which only 4 respondents were availing the service. It indicates the need for sale promotion measures.

**Factors Influence the Respondents to Purchase the Goods from Triveni Store**

The study also reveals some of the factors influence the respondents to purchase the goods from Triveni Stores.

The responses are multiple in natures i.e., a respondent might have give more than one reason to buy the goods from the store. 66% respondents visit due to the fact that the stores provide good customer care. Out of 80 respondents 62(78%) have agreed that their residence is nearer to the Triveni store and this drove them to buy the goods from Triveni. 25% respondents opinioned that their working site is close to the store and hence they are selecting Triveni store for purchasing of goods. Most of the respondents have opined that 'crowding within the store' indicates some special feature of that store and hence they also tempted visit the store.

**Customer Satisfaction towards the Sample Triveni Retail Chain Stores****Table 3 : Customers Satisfaction towards Triveni Reatil Stores**

Sl. No.	Statement	SA	A	NO	D	SDA	Total Score	Index	Rank
1	Stores are conveniently located	38	27	7	8	-	335	83.75	10
2	Ambience of the store is good	41	39	-	-	-	361	90.25	3
3	Store atmosphere and decor are appealing	35	30	4	11	-	329	82.25	11
4	Store hours are convenient for the shopping needs	38	40	2	-	-	356	89	5
5	The packaging of the products is good	30	31	10	9	-	322	80.5	13
6	The promotional activities of the store is good	4	23	16	36	1	233	58.25	15
7	Availability of advertised product is there in stock	17	30	10	21	2	279	69.75	14
8	Good product varieties are present	33	44	3	-	-	350	87.5	6
9	Good quality products are available	30	48	2	-	-	348	87	7
10	Product display is attractive	47	25	7	1	-	358	89.5	4
11	Damaged and defective goods are replaced	35	36	9	-	-	346	86.5	8
12	Spacing of the goods within the store is good	27	33	13	9	-	324	81	12
13	The purchase time required within the store is less	40	27	7	6	-	341	85.25	9
14	Store has lowest prices in the area	61	19	-	-	-	381	95.25	1
15	The customer service is good	58	18	6	-	-	380	95	2
	Total						5043	84.05	

Source: Compiled from primary data



The above table indicates the satisfaction index of customers towards Triveni store. The statement 'the store has lowest prices in the area' stood first with an index of 95.25 which is considered as very good. This indicates that the customers were highly satisfied with the pricing of the products. The other statement which got the second rank was 'customer service is good' with an index of 95 %. The third important factor was 'ambience of the store is good', and it secured an index of 90.25 %. The statement 'product display is attractive' secured an index of 89.5 %. With an index of 89 %, the respondents were satisfied with respect to the statement 'Store hours are convenient for the shopping needs'. The store has 'Good product varieties' and the statement scored an index of 87.5%. The statement 'Good quality products are available' fetched an index of 87%. The respondents opined (index of 86.5%) that the Damaged and defective goods are replaced. The statement, purchase time required within the store is less, posed before the respondents got an index of 85.25%. The respondents expressed that the stores are conveniently located with an index of 83.75%. The customers were satisfied with an index of 82.25 % regarding the 'store atmosphere and decor are appealing'. The customers responded with an index of 81% regarding the 'Spacing of the goods within the store is good'. The packaging of the products is good for the customers and the statement scored 80.5%. Availability of advertised product is there in stock (69.75%) and the promotional activities of the store are good (58.25%) scored very less. Altogether three statements got very good score (90-100%), ten statements got good score (80-90%) and two statements got poor score (less than 80%). The composite index for the statements was 84.05% and it indicates good service delivered by the Consumerfed. This result also reveals that the Consumerfed has to go a long way to attain the very good position. Moreover, the study clearly depicts the opinion of customers regarding the limited promotional measures. As a cooperative institutions and mainly funded by the government of Kerala, it may have its own limitations regarding spending more on promotion particularly advertisements. However, to

retain the customers, Consumerfed should take appropriate measures to reach the potential consumers particularly youths.

### Conclusion

Retailing is as old as agriculture. Human civilization made retailing as core sector of the economy. Among the different forms of business organizations engaged in retailing, cooperatives are playing a pivotal role in almost all countries. In India, consumer cooperatives have not shown significant growth in the recent past. In the state of Kerala too primary level and district level consumer cooperatives failed to perform better. Hence, the apex federation namely Consumerfed took initiative to start retail chain stores throughout the state and are serving the people better. Market intervention and price stabilization are the major objectives of cooperatives and is being met by the Consumerfed. The Consumerfed is involved in almost all activities that will make life easier for middle and lower income groups of the state. The customers are also satisfied with the services of Consumerfed and gave an index of 84.05%. It clearly indicates the professional management of Consumerfed. The least score was for lack of advertisement and promotional measures. The researchers found that the Consumerfed started advertising regularly in the newspapers particularly on the price of twenty one essential products. Let the service continue and the people of Kerala reap the fruits of Consumerfed.

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