

Critical Analysis of Seller-Customer Bonding: Perception, Retention, Orientation and Status

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Can customers' positive perception towards retailers' retention orientation, as evident from store level attributes, be sufficient in creating long-term relationship bond? Customers' behaviour and perception were explored using questionnaire administered at organized apparel retail outlets in cosmopolitan Indian cities. Though empirical evidence suggests that customers' positive perception is important in determining long-term relationship, customers' own value systems such as status in society, shaped by motivation, determine desire to have long-term relationship. Our study reveals two factors influencing long-term relationship to be customers' tendency to make economic purchase coupled with projection of social status in the society via consumption.

INTRODUCTION

Marketers have always focused on customers' perception and expectations/orientations to build a sustainable business model. Understanding customers' perception and expectation is a continuous process since customers are not only different in their perceptions and expectations but their perceptions and expectations undergo changes from time to time (Weitz *et al.* 1995). This dynamic nature of perceptions and expectations challenges marketers to provide value to their customers and delight them continuously. The need to satisfy customers on continuous basis is stressed due to its role in building and retaining relationship with customers (Gronroos, 1994). There is no single agreed definition of relationship marketing (Stone *et al.* 1996). However, Gronroos (1994), Stone *et al.* (1996), and Hennig-Thurau (2000) suggest that its key purpose is to offer an organization a logical and structured process that can retain existing customers and provide customer satisfaction. In other words, relationship marketing can be viewed as a means of developing customer loyalty, which in turn is linked with increased market share (Tanner, 1996). This is the potential that managers throughout a relationship arrangement with customers need to acknowledge if a mutually-oriented customer relationship is to be developed.

Nevertheless, the importance of relationship marketing research in a retail setting is generally acknowledged. *First*, Taher *et al.* (1996) found that traditional store patronage is weakening due to new technologies, increased competition and customers' time impoverishment. *Second*, relationship marketing has mainly been studied from a seller's perspective and thus the findings cannot be generalized to buyer's perspective (Sheth and Parvatiyar, 1995). *Third*, the assumption that a relationship can be formed with all customers can often be misleading and can have adverse impact on the scarce resources (Odekerken *et al.*

2003). A systematic research on relationship marketing in a retail environment is practically lacking (Singh and Sirdeshmukh, 2000). It is essential for almost all the retailers to develop in-depth knowledge on store patronage, customers' perception and expectations to run their business successfully.

The need for this study is more apparent in the case of Indian retail sector which has undergone great transformation with the emergence of many organized players like Future Group (Pantaloon, Big Bazaar, Food Bazaar), Tata Group (Westside, Trent), Reliance Group (Reliance Mart, Reliance Fresh etc.), RPG Group (Spencer, Food World, M-World etc.). Even the Indian customers' expectations from a retailer have changed due to increased globalization and exposure to western lifestyles. It is essential to capture the current expectations of Indian customers and their perception toward the efforts that the retailer is making to satisfy and retain them. The rest of this paper is organized as follows: a conceptual model is built based on detailed review of the existing literature to achieve the objective followed by methodology, data analysis and conclusion, managerial implications and suggestions for further research.

CONCEPTUAL MODEL

Understanding customer's perception about the retailer's efforts is important to determine customer's orientation for long-term relationship. In the present study, relationship is defined as customers purchasing from the same store for more than three times in a period of 6 months. Different efforts that the retailer makes to build good relationship with customers include providing customers with good quality products and services (Gwinner *et al.*, 1998). Service quality (SQ) is defined as 'the consumer's perception of the extent of superiority or excellence of the service'. The three constructs that were used to measure service quality as expressed by (Sirohi *et al.*, 1998) are Store operating performance (SOP), Store appearance (SAP) and Personnel service Providers (PSP).

The three service quality constructs of perception of store operations (SOP), perception of store appearance (SAP) and perception of personnel service (PSP) all provide distinct cues about service quality as further discussed below. Scales with items similar to those used to measure SOP, SAP and PSP have been widely used to measure the service quality construct (Parasuraman *et al.* 1988; Cronin and Taylor, 1992).

Service quality is controllable cue of merchandise quality (MQ). Good quality of services rendered at store help customers to form positive opinion about the merchandise quality of the store. Good store ambience and service-scape and sincere services provided by store personnel along with flexible operating hours create a positive impression about the quality of goods in that store. Focus-group research (Ho, 2005) has shown that aspects of service that contribute to product knowledge can have a positive effect on perceptions of merchandise quality. Hence we hypothesize that.

H₁: A positive perception of SOP, SAP, and PSP leads to a positive perception of merchandise quality.

Perceived quality is the consumer's judgment about a product's overall excellence or superiority (Zeithamal, 1988). The importance of perceived quality derives from its beneficial impact on purchase intentions (Parasuraman *et al.* 1998). It is widely believed that customers use different cues to infer quality (Zeithamal, 1988). It is discussed earlier that customer's take cue from service quality to determine level of merchandise quality.

Apart from SQ, relative price of the goods also provide cue about the quality of the merchandise (Monroe and Krishnan, 1985). In the present study, relative price is operationalized as perception of price within the range of known prices of equivalent products in the product category (Odekerken *et al.* 2003). Customers' perception of price also plays important role in determining perception about the MQ post-purchase, but after purchase, if they perceive the price-quality relationship to be a mismatch, it impacts their satisfaction.

Often, the terms perceived quality and satisfaction have been used interchangeably, especially among practitioners. However, Rust and Oliver (1994) proposed that perceived quality and satisfaction differ in

two ways: perceived quality is a more specific concept based on product and service features, whilst satisfaction can result from any dimension (loyalty, expectations). In addition, perceived quality can be controlled to a certain degree by a company whilst satisfaction cannot. Thus, it is suggested that, when perceived quality and satisfaction are regarded as overall assessments, perceived quality is understood as an antecedent of satisfaction and therefore precedes it (Caruana. 2002; Tsiotsou. 2006). Based on the above we, hypothesize that.

H₂: There exists positive relationship between relative price and MQ.

H₃: There exists positive relationship between MQ and customer's satisfaction.

The growth of interest in one-to-one marketing over the past years (Peppers and Rogers, 2004) has brought the topic of personalization to an increasingly prominent position in marketing theory and practice. Retailers' efforts to build relationship become evident by the way retailers make use of personalized communication based on the purchase pattern of the customer. However, measurement and estimation of the effects of personalization on other critical theory constructs have been lacking (Day and Montgomery, 1999). Evans *et al.* (1996) stated that the social interaction afforded by retailer in a personalized way has been suggested to be "the prime motivator for some customers to visit retail establishments". Personalized communication provides satisfaction to customers as it shows the sincerity of the retailer in trying to retain customers. Hence we hypothesize that.

H₄: There exists positive relationship between Personalized communication and satisfaction.

Rewarding is defined as "a consumer's perception of the extent to which a retailer offers tangible benefits such as discounted pricing or gift incentives to its regular customers in return for their loyalty (Odekerken *et al.* 2003). Marketers employ different rewarding tactics like loyalty cards, bonus etc. (Peterson, 1995). Trying to redeem points via these loyalty cards keeps the loyal customers satisfied regardless of service enhancement or price promotions of competitors (Sharp and Sharp. 1997). Hence we hypothesize that.

H₅: There exists positive relationship between Rewards and satisfaction.

Developing in-depth understanding about customers' perception of the efforts that the retailers are making to satisfy and retain them will not be complete since their perception is coloured by their value system and motivations. It is the value system of the customers that decide their willingness to have long-term relationship with retailer. In other words, no matter how hard a retailer tries to satisfy a customer, if the customer is by nature not relationship prone then that customer would continue to experiment with the products of the competitor.

Consumer relationship proneness (CRP) refers to the tendency of a consumer to engage in relationships with retailer (Odekerken *et al.* 2003). It is being recognized that CRP varies among customers, but there is little empirical evidence of this (Liljander and Roos, 2002). Factors that govern CRP are the personal values like social values (SV), hedonic values (HV) and utilitarian values that in turn determine the loyalty patronage of the customers (Gutman, 1990; Corfman *et al.* 1991). Personal Values are set standards that are basic for a person's behaviour (Rokeach, 1973; Kamakura and Novak, 1992).

The significance of CRP is evident for the analysis of loyalty; given that if a customer is not prone to maintain a relationship with a supplier, it will be difficult to achieve his/her loyalty. In spite of this key role, as it is understood from the above, only a very few attempts have been made to research on the impact of consumer relationship proneness on other variables (R. Vazquez-Carrasco *et al.* 2006). Relationship prone customers may see a retailer's efforts through more rose-coloured glasses and hence

tend to get more satisfaction from the efforts that the retailer is making to retain them than those who are not relationship prone (Deb *et al.* 2008). Hence we hypothesize that.

H₆: There exists positive relationship between CRP and satisfaction.

Shopping represents a social act where symbolic meanings, relationships and self may be produced and reproduced (Firat and Venkatesh, 1993). Patronizing a department store depends on how a customer wants to be seen and/or how she or he wants to see herself or himself (Sirgy *et al.* 2000; Sweeney and Soutar, 2001). Variables determining social value (SV) are *Social Affiliation (SA)* and *Social Recognition (SR)*. SA is the tendency of the customer to affiliate with others and to prefer being with others to remaining alone (Cheek, 1981). Different authors stated that engaging in buyer–seller relationships might be one of the ways to satisfy the need for exchanges with other people (Ellis, 1995; Shim and Eastlick, 1998). Hence we hypothesize that.

H₇: There exists positive relationship between SA and CRP.

In line with Brock *et al.* (1998), in the present study, SR is consumer's desire of being well respected by others. SR is assumed to guide relationship development and to define the resulting type of relationship (Kirkpatrick and Davis, 1994). Forman and Sriram (1991) claimed that some people engage in buyer–seller relationships in their search for social recognition. Sheth and Parvatiyar (1995) referred to reference group theory in postulating that people's propensity to engage in marketing relationships depends on their desire to get closely associated to a reference group to reap the benefits of such an association and to avoid negative consequences relating to noncompliance of norms. Hence we hypothesize that.

H₈: There exists positive relationship between SR and CRP.

Hedonic consumption designates those facets of consumer behaviour that relate to the multisensory, fantasy and emotive aspects of one's experience with products (Hirschman and Holbrook, 1982). Compared with utilitarian value, hedonic value is abstract and subjective. Hedonic shoppers are more enjoyment oriented. *Shopping Enjoyment (SE)* is consumer's tendency to find shopping more enjoyable and to experience greater shopping pleasure than others (Deb *et al.* 2008). Bellenger and Korgaonkar (1980) proved that people who enjoy shopping hardly ever have a pre-planned purchase in mind thus potentially reducing their desire to commit themselves to one specific store. Based on the above it can be hypothesized that.

H₉: There exists negative relationship between SE and CRP.

The utilitarian perspective is based on the assumption that consumers are rational problem-solvers (Bettman, 1979). As a result, the utilitarian perspective stresses functional, product-centric thinking, and research has focused on consumer decision processes. Shoppers shopping for utilitarian value tend to be more involved in their purchase. *Product Category Involvement (PCI)* is customer perceived importance of the product category based on the consumer's inherent needs and interests (Mittal, 1995). Researchers have suggested that individuals who are highly involved with a product category reveal a tendency to be more loyal (King and Ring, 1980). Christy *et al.* (1996) stressed that highly involved customers provide a strong basis for extending the relationship. In addition, Gordon *et al.* (1998) stated that involved buyers are more likely to participate in marketing relationships and to attach more importance to the continuity of these relationships. Hence we hypothesize that.

H₁₀: There exists positive relationship between PCI and CRP.

Satisfaction is regarded as an important outcome of buyer–seller relationships (Smith and Barclay, 1997). Customer’s satisfaction is defined as “a consumer’s affective state resulting from an overall appraisal of products and services provided by a retailer” (Anderson and Narus, 1984). In consumer markets (Baker *et al.* 1999, Andaleeb, 1996, Deb *et al.* 2008), customers tend to be more satisfied with sellers who make deliberate efforts towards them. However, not all the customers get equal amount of satisfaction, only those customers who are prone to building long-term relationship with retailers would be more satisfied compared to those who are not relationship prone (Storbacka *et al.* 1994). The higher the relationship proneness the higher would be the appreciation towards retailer’s efforts to retain them. Hence we hypothesize that.

H₁₁: There exists positive relationship between CRP and customer’s satisfaction.

The development of trust is thought to be an important result of dyadic buyer–seller relationships (Gundlach *et al.* 1995). Consistent with Morgan and Hunt (1994), the present study defines trust as “a consumer’s confident belief in a retailer’s honesty towards the consumer.” A recent meta-analysis in a channel marketing context (Geyskens *et al.* 1999) suggests that satisfaction precedes trust. Only when a customer is satisfied by the quality of products and services offered by a retailer can he or she develop trust towards that retailer. The higher the satisfaction the lower would be the fear or the anxiety of the customers due to higher trust. Hence we hypothesize that.

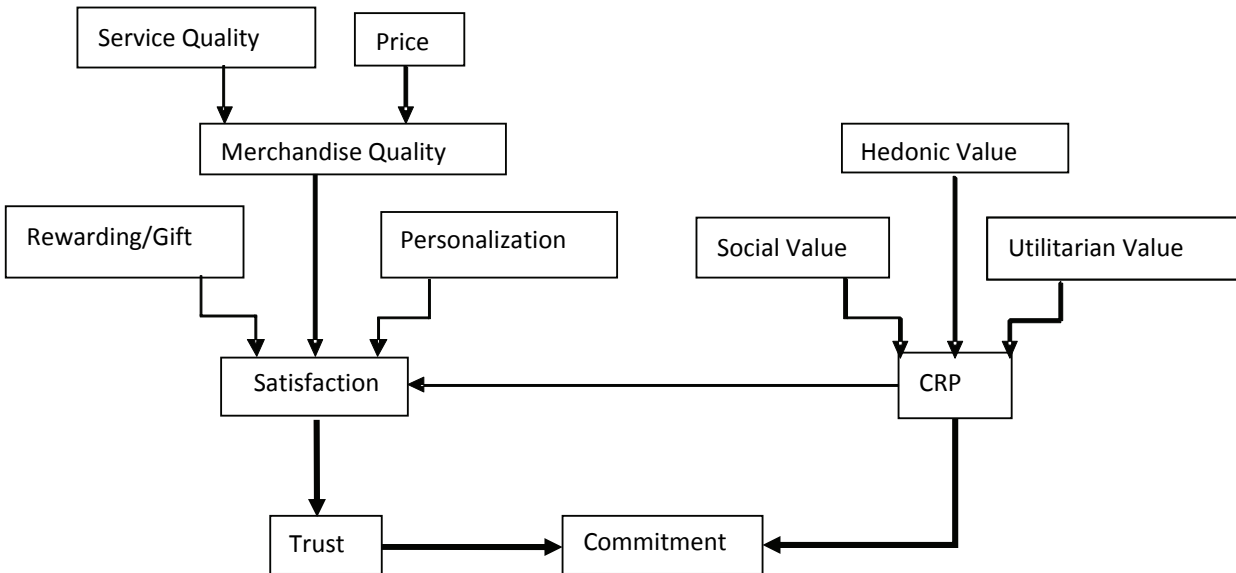
H₁₂: A higher level of satisfaction leads to a higher level of trust.

Commitment is generally regarded as an important result of good relational interactions (Dwyer *et al.* 1987). Commitment is defined as “a consumer’s enduring desire to continue a relationship with a retail store accompanied by the willingness to make efforts at maintaining it” (Morgan and Hunt, 1994). Relationships characterized by trust are so highly appreciated that parties will desire to commit themselves to such relationships, so several marketers indicate that trust should positively affect commitment (Doney and Cannon, 1997). Strong empirical evidence exists for a positive path from trust to relationship commitment (Morgan and Hunt, 1994). Storbacka *et al.* (1994) further indicated that a buyer’s general interest in relationships influences the level of commitment to a relationship in which the buyer is engaged. Hence we hypothesize that.

H₁₃: A higher level of trust leads to higher level of commitment.

H₁₄: A higher level of consumer relationship proneness leads to a higher level of relationship commitment.

**FIGURE 1
CONCEPTUAL MODEL**



EMPIRICAL STUDY

Data on the measures were collected from several organized apparel retail chains via questionnaire (Appendix I) from 510 customers. A multi-stage sampling technique was utilized. The organized format was selected for this research in part due to its representativeness of a variety of store conditions. For example, store sizes, merchandising approaches, ethnic diversity among customers, pricing strategies and store formats, all had a substantial amount of variation such that the results reported here should have some generalizability. Only those areas were covered where there is evidence for the presence of large format retail outlet (KSA Technopak, 2005; Ernest & Young, 2006 and Marketing whitebook, 2006) like Delhi, Kolkata, Bangalore, Hyderabad and Mumbai. From each place two different localities were selected randomly for data collection. Localities were selected based on convenience sampling. Minimum of 51 samples from each locality was the target of this study. The present study also sought even coverage over interviewing time of day (morning, late afternoon and evening) and interviewing day of week (Monday to Sunday, although traffic was felt more only on Saturday and Sunday) so as to reduce possible shopping pattern biases.

Measurement Model Evaluation

Table 1 reports the results of a confirmatory factor analysis related to the measurement model. Evidence for the unidimensionality of each construct was based upon a principal component's analysis revealing that the appropriate items loaded at least 0.65 on their respective hypothesized component, with a loading no larger than 0.30 on other components. Convergent validity was supported by a good overall model fit, all loadings being significant ($P < .01$) and nearly all R^2 exceeding 0.50 (Hildebrandt, 1987). Reliability was indicated by composite reliability measures all exceeding 0.70. Bagozzi and Yi 1988 suggest that composite reliabilities of 0.60 or greater are desirable and that the individual item reliabilities will be usually lower than the composite. Discriminant validity was tested in a series of nested confirmatory factor model comparisons in which correlations between latent constructs were constrained to 1, all the values are below the cut off mark of 0.80. In addition, the average percentage of variance

extracted for each construct was nearly greater than 0.50. In summary, the measurement model is clean with evidence for unidimensionality, convergent validity, reliability and discriminant validity.

TABLE 1
RESULTS OF CONFIRMATORY FACTOR ANALYSIS

Items	Composite Reliability	Composite variance	R ²	Loadings
Merchandise Quality				
Quality of apparels items	0.924	0.55	0.61	.780
Quality of men's apparels			0.60	.775
Quality of women's apparels			0.60	.772
Quality of kids apparels			0.59	.765
Quality of health and beauty aid department			0.54	.732
Quality of private-label items			0.54	.731
Wide brand selection of apparels items			0.54	.730
Personalization				
This store always keeps the regular customer informed about their new products.	0.938	0.73	0.73	.857
This store often holds personal conversations with regular customers via mails			0.73	.856
This store always sends greetings			0.72	.847
Service Quality				
Staffing enough employees to meet customer needs	0.900	0.58	0.67	.813
Offering convenient hours of operation			0.63	.794
Ability of manager to resolve questions and problems			0.60	.775
Overall quality of services provided by personnel the customer interacts with			0.58	.758
Providing a pleasant shopping environment (light. music etc.)			0.56	.745
Providing parking facilities			0.54	.736
Price				
Comparison with charges made by alternative large format retail outlet for similar products	0.934	0.72	0.74	.862
Comparison with charges made by stores other than large format retail outlets for similar products			0.72	.848
Comparison of health and beauty aid prices with other large format retail outlets			0.68	.825
Commitment				
I am willing to travel extra mile to remain a customer of this store.	0.809	0.65	0.69	.829
I feel loyal towards this store.			0.65	.808

Items	Composite Reliability	Composite variance	R ²	Loadings
Even if this store would be more difficult to reach I will continue to purchase from this store			0.60	.776
Trust				
This store gives me a feeling of trust	0.896	0.62	0.67	.818
I have trust in this store			0.62	.788
This store gives me a trustworthy impression			0.57	.754
Satisfaction				
I am happy with the efforts this store is making towards regular customers like me	0.877	0.49	0.48	.696
I am satisfied with the relationship I have with this store			0.50	.683
Shopping Enjoyment				
I am someone who enjoys shopping	0.921	0.74	0.80	.892
I am someone who enjoys shopping to see whether there is anything new			0.78	.885
I am someone who considers shopping as a pleasant way to spend his or her spare time.			0.64	.802
Social Recognition				
I am someone who likes to be appreciated by others	0.900	0.70	0.71	.843
I am someone who likes to be respected by others			0.71	.839
I am someone who likes to be appreciated by acquaintances			0.66	.812
Product Category Involvement				
I am someone who finds it important what apparels he or she buys	0.895	0.70	0.75	.866
I am someone who is interested in the kind of apparels he or she buys			0.71	.840
I am someone for whom it means a lot what apparels he or she buys			0.64	.797
Social Affiliation				
I am someone who has no difficulty mingling in a group	0.905	0.63	0.68	.825
I am someone who, given the chance, seeks contact with others			0.62	.784
I am someone who likes to seek contact with others			0.59	.767
Customer Relationship Proneness				
I am someone who likes to be a regular customer of an apparels store.	0.867	0.57	0.66	.809
I am someone who wants to be a steady customer of the same apparels store.			0.55	.741
I am someone who is willing to 'go the extra mile' to purchase at the same apparels store.			0.50	.703

Items	Composite Reliability	Composite variance	R ²	Loadings
Rewards				
This store rewards regular customers for their patronage	0.710	0.56	0.62	.782
This store offers discounts to regular customers for their patronage			0.50	.678

Structural Model Evaluation

The chi-square value is significant (5327 with 1976 degrees of freedom), a finding not unusual with large sample sizes (Doney and Cannon, 1997). The ratio of chi-square to degrees of freedom is 2.6 and can be considered as adequate. While the values of Goodness of Fit Index (GFI) (0.80) and Adjusted Goodness of Fit Index (AGFI) (0.79) are somewhat lower than those of Comparative Fit Index (CFI) (0.81), this result is mainly due to the former measures being more easily affected by model complexity. In general, the indicated fits are good, including Root Mean Square Error of Approximation (RMSEA), which is 0.043 and Standardized Root Mean Square Residual (SRMR), being 0.037. Given the adequacy of these indices, given the fact that the model was developed on theoretical bases and given the relative complexity of the model, no model re-specifications were made. Table 2 shows that all the relationships are in the hypothesized direction except Hypothesis 2 (Price to MQ). Hypothesis 9 testing relationship between SE to CRP was not found significant.

TABLE 2
RESULTS OF STRUCTURAL MODEL ANALYSIS

Parameter	Hypothesis	MLS estimate	MLU estimate
Service quality to Merchandise quality	Hypothesis 1 (+)	0.204	0.213**
Price to Merchandise quality	Hypothesis 2 (-)	-0.094	-0.079
Merchandise quality to Satisfaction	Hypothesis 3 (+)	0.120	0.119*
Personalization to Satisfaction	Hypothesis 4 (+)	0.180	0.196**
Rewarding to Satisfaction	Hypothesis 5 (+)	0.237	0.246**
Customer relationship proneness (CRP) to Satisfaction	Hypothesis 6 (+)	0.113	0.110*
Social affiliation to CRP	Hypothesis 7 (+)	0.089	0.090*
Social recognition to CRP	Hypothesis 8 (+)	0.020	0.116*
Shopping enjoyment to CRP	Hypothesis 9 (+)	0.155	0.040
Product category involvement to CRP	Hypothesis 10 (+)	0.427	0.390**
CRP to satisfaction	Hypothesis 11 (+)	0.394	0.406**
Customer satisfaction to trust	Hypothesis 12 (+)	0.671	0.617**
Trust to commitment	Hypothesis 13 (+)	0.375	0.319**
CRP to commitment	Hypothesis 14 (+)	0.228	0.246**

- *MLS estimate = Maximum likelihood standardized estimate*
- *MLU estimate = Maximum likelihood unstandardized estimate*
- *P < .05. ** P < .001*

MANAGERIAL IMPLICATIONS

It is imperative from the present study that understanding customers' perception alone is not sufficient to build long-term relationship with customers. Retailers also need to understand the factors impacting customers' expectations. The objective of the present study was to understand customers' perception of the retailer's efforts and to explore customers' expectations from a retail store. Expectations of the customers have their roots in their value system. In the present study, three different types of value system namely Utilitarian, Social and Hedonic were identified and their significance in retailer-customer relationship formation was explored. The finding of the present study is in line with Gordon et al. (1998) who provided empirical evidence for the impact of involvement on the importance customers attach to relationship continuity with a particular retailer. Moreover, the crucial effect of PCI on consumer relationship proneness was found to underlie consumers' intrinsic inclination to establish relationships with retailers. PCI has been found to be an important factor determining the intention to engage in relationship (Swinyard, 1993). It can be concluded that customers with utilitarian values are relationship prone.

Customers purchasing apparels not only involve in the category of products that they are purchasing but also intend to project their status in the society through their consumption. In the present study, empirical evidence was found for both social affiliation and recognition. Customers with social values looking for social affiliation and recognition also tend to be relationship prone and hence evaluate the efforts of retailers to provide them with rewards, quality of services and merchandise more positively. This is in line with several authors' stressing that findings of studies on interpersonal relationships can be transferred to buyer-seller relationships (Shim and Eastlick, 1998). Highly sociable people are looking for social relationships with sales associates (Ellis, 1995).

Finally, significant correspondence was found between people who enjoy shopping less and people being relationship prone. This finding is in line with Bellenger and Korgaonkar (1980) who stated that people who enjoy shopping less are more motivated towards relationship. Customers shopping for HV are looking for enjoyment and adventure than having something consistently for the long run.

In response to recent requests for directing more attention to the buyer perspective (Bendapudi and Berry, 1997), the present empirical results provide evidence for the consumer's crucial impact on relationship outcomes. This is apparent from the dominant influence of CRP and its impact on relationship satisfaction, ultimately helping to put a stop to declining retention rates or to further stimulate loyalty. The results of this study contradict Kalwani and Narayandas' (1995) conceptual idea that buyers who are relationship prone are relatively more difficult to serve satisfactorily. Moreover, the present data support the belief that CRP affects relationship commitment (Storbacka et al. 1994). Previous studies on relationship marketing might suffer from the omission of CRP as an important construct. Failing to include CRP in future studies on relationship marketing could result in flawed conclusions related to the factors governing retailer-customer relationship outcomes.

With respect to the influence of customer perception about the efforts retailer is making to satisfy them, the present study used several store level attributes like MQ, SQ, Price, Personalization and Rewards. In line with Howard et al. (1995), the present study found that retailers treating customers in a personalized way and rewarding them for their loyalty can reap benefits in terms of enhanced customer satisfaction towards their store. Customer's perception of MQ gets impacted by their perception of SQ and Price in case of apparel. Good store atmosphere in the form of décor, assortment etc. and assistance provided by personnel creates positive impression about the merchandise. To determine the quality it is found that customers take cue from the price. In case of apparel they perceive the higher the price the better the quality.

The present results highlight the importance of SQ as an extrinsic cue in the formation of perceptions of overall MQ for a retailer (Sirohi et al. 1998). In the specific context of retailing, it has been demonstrated that interpersonal relationships positively affect overall customer perception (Wong and Sohal, 2003). The large and significant impact of SQ indicates that a good facility design and service

provision by customer-contact employees leads to enhanced perceptions of overall MQ (Parasuraman et al. 1988; Cronin and Taylor, 1992). This in turn improves customer perception about the RRO.

Customers perceiving that retailers care for customer loyalty seem to respond equitably by adjusting their attitudes in terms of improved satisfaction. Customers' perception of the retailer's efforts with respect to the above store level attributes and its relationship to satisfaction is confirmed. It is found that a satisfied customer also develops trust for the store. Their trust on the store compels them to commit themselves to the store as their risk or anxiety gets minimized with their satisfaction and trust (Morgan and Hunt. 1994).

The present study would be beneficial to store managers since they would be able to reap invaluable bonding from customers' perception about their existing efforts to satisfy them. One more benefit would be developing in-depth understanding about customers' expectations and factors that determine different expectations among different customers. Based on their expectation, retailers can determine which segments can be retained via rewards, personalization and which segments only look for enjoyment and are not serious about having long-term relationships and bonding. Accordingly, a retailer can channelize his efforts and reap maximum benefits. Academics would be benefitted by developing in-depth understanding about the relevance of value system in shaping customers' expectation and how value system impacts customers' satisfaction and finally commitment apart from customers' perception.

FURTHER RESEARCH

This current study was based on buyer-seller relationship in stores in cities in a developing sub-continent such as India. It would be interesting to replicate this study in industrialized China and United States of America on the one hand and developing countries in Africa and South America on the other. It would also be interesting to analyse the relationship proneness of not only apparel customers but new technology (I-pads, I-pods, Tablets PCs, IReader, IPHones, smartphones etc.) customers. Hedonic, utilitarian, and social values can be affected by customer religiosity, hence the potential postulation that the deeper a person believes in his or her maker, the more mundane and disdainful the person will feel towards products that seem to elicit hedonic influences among other things.

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