

# An Empirical Study on Service Quality & Customer Purchase Intention Towards Household Hardware Accessories with Reference Tothiruvallur District

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## How to cite this article:

A Appu, Tasmiya Rubaina N/An Empirical Study on Service Quality & Customer Purchase Intention Towards Household Hardware Accessories with Reference Tothiruvallur District/J Soc Welfare Manag. 2022;14,3(Part-I):91-96.

## Abstract

The International Home Improvement Market was estimated to be worth USD 1,415.98 billion in 2021, and it is anticipated to expand at a CAGR of 5.23 percent from 2022 to 2026. The market demand is influenced by the rise in demand for goods that offer greater comfort and convenience as a result of a change in customer preference for improved home amenities. Growing investments in R & D operations to uncover novel solutions and an increase in the number of market participants introducing advanced home technology and safety goods are predicted to produce profitable chances for market expansion. This study employs a quantitative approach using a survey of 125 customers to examine the influence of service quality attributes and intention to purchase hardware accessories in Thiruvallur. The result of Multiple Regression indicate that the coefficient of assurance is 0.394 and the estimated positive sign implies that such effect is positive that Behavioral Intention would increase by 0.394 for every unit increase in Assurance. Furthermore, it was determined that the assurance were the most influential factor pushing the client intention to purchase the household hardware items.

**Keywords:** Quality of Service; Store Location; Purchase Intention; Hardware accessories.

## INTRODUCTION

The Indian Hardware Manufacturer has played an important role in transforming India into a manufacturing hub. Young people in India are gaining a competitive advantage in the hardware manufacturing industries, as evidenced by a

growth in the share of the country's working-age population who are young. Most businesses are betting on this sector increasing by investing in other companies in the same field. The Indian government is implementing sound policies that would aid in the development of the country's numerous hardware industry.<sup>1</sup> Given the growth and development of the hardware business, it appears that India has a greater potential to emerge as the next global hardware destination. Recent studies have analyzed to observe customers' awareness and preference towards household hardware accessories. In particular, the study meets the acquaintance gap in the intention of the customers to purchase household hardware in the Thiruvallur study. The research indicated

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**Received on:** 11.07.2022

**Accepted on:** 01.08.2022

the correlation coefficient between customer satisfaction and overall service quality is 0.842 which indicate 72.59 positive relationships between customer satisfaction and overall service quality and is significant at five percent level. Finally, it is anticipated that the Hardware stores in the Thiruvallur district may practice transparency in prices with no hidden price and offer certain privileges like free door delivery, reasonable price discount, speedy delivery and less waiting time for winning the customer 's patronage.

## LITERATURE REVIEW

S. Murali, S. Pugazhendhi, and C. Muralidharan (2016) evaluate the quality of the after sales service by measuring client satisfaction, client retention, and client loyalty over the SERVQUAL dimensions comprising of ASS attributes. Additionally, they check to see which of these ASS-based dimensions of SERVQUAL need to be intensive more in refining the quality of ASS with the consideration of firms involved in manufacturing home appliances. Research models were developed to examine the influence of ASS attributes on CS, CR, and CL for three specific home appliance products, including a Gas Stove, a Water Purifier, and a Mixer Grinder. These models were evaluated using multiple regression analyses on data collected through the structured survey questionnaire, which featured a five-point Likert scale. The results also indicated that the tangible based attributes play a dominant role in influencing CS, CR, and CL in the case of LPG Stoves. It is reasonable to adopt that the corporation performs well relative to attributes such as the availability of information and advice at service centres, the quality and availability of technical manuals/service documents, complaint registration facilities, accessibility of service centre, and provision of equipment's.<sup>2</sup> On the other hand, the tangible based attributes appear to dominate the prediction of CS and CR, but this is not the case regarding the level of CL that Water Purifier influences. This may be because the company provides adequate service to satisfy its customers. As a result, the ASS and IT departments of the case company need to focus on enhancing these characteristics to take advantage of them as service winners. This can be accomplished by introducing new service centres in more remote areas and providing a facility to register complaints. In the case of the Mixer Grinder, it was discovered that the tangible based attributes influenced CS, CR, and CL. This suggests that the Mixer Grinder Company's technical manuals are concise, clear,

and comprehensive. The provision of a facility for the registration of complaints and the availability of service centres in an easily accessible manner are two of the company's strong points.<sup>3</sup>

*Brijesh Sivathanu (2019)* looks into the factors influencing customer satisfaction, with specific references to on-demand home services, a relatively new phenomenon in India. The E-SQ and *Servqual* models provide the foundation for the hypothesized conceptual framework. To put the research hypotheses to the test, a questionnaire that had been piloted with 382 research participants was used. PLS-SEM was utilized to carry out the necessary work for empirically validating the proposed framework. Based on the findings, it appears that both the quality of the e-service and the service itself contribute to the overall service quality, which positively influences customer satisfaction.<sup>4</sup> According to the findings of this research, a positive influence of OSQ on CS in the context of on-demand home services is supported by empirical evidence. These findings are reliable with results from other studies. Since OSQ is still a relatively new concept in the Indian context of the services industry, its R2 value of 0.770 is on the higher end of the scale. Because of this, the customers have a high level of interest and excitement in using and benefiting from these services because they are delivered to them at their preferred location. The quality of the service is an essential component that serves as a differentiator in the field of services, which ultimately results in a competitive advantage for the service provider. The path coefficient of SERVQUAL ( = 0.577\*\*\* ) on OSQ is higher than E-SQ ( = 0.415\*\*\* ) on OSQ, which means that customers perceive a higher importance to the service quality. When the actual service is delivered at the customer's premises rather than during the process of e-booking/scheduling the on-demand home service online as these services are yoga, beauty services, and home décor services. It should also be mentioned that, in terms of on-demand home services, value acts as a moderating factor for the service's overall quality and customer satisfaction.

*Haishuo Yu (2021)*, the factors determining the quality of the delivery service for home appliances can be summed up as follows: convenience, economy, dependability, and the quality of the service personnel. A structural equation model is constructed following a discussion of the relationship between the factors affecting service rate and level of customer satisfaction. According to the findings, the efficiency, dependability, and quality of service

personnel have a direct and beneficial impact on the level of satisfaction experienced by customers.<sup>5</sup> In addition, the positive effect of economy and reliability of home appliance's conveyance service quality has on customer satisfaction is positively regulated by previous customer experiences. This paper contributes to the escalating body of research on customer experience, which plays a directing role in the home appliance industry's efforts to continuously improve service performance.

*Zafran, M., and Vevere, V. (2021)* investigate the impact of retail services quality and selling behaviour on customers' satisfaction, trust, and store loyalty in the context of high involvement products such as consumer electronics and home appliances in the country of Pakistan. The information was obtained from 377 clients who completed the survey and completed it online. The respondents were enquired whether or not they had any recent experience purchasing such items. Then, bearing in mind that experience, they were asked to rate the scale items accordingly. During the testing of the model, both factor analysis and multiple regression analysis were utilized. According to the research findings, a significant influence on a customer's satisfaction, trust, and intention to remain loyal to a store is exerted by the selling orientation strategy and the quality of the store's customer service.<sup>6</sup> The study also includes a mediation analysis, with customer satisfaction and trust serving as the mediator factor between the two independent variables (service quality and selling behaviours) and the dependent variable (dissatisfied customers) (store loyalty intentions). According to the findings, a customer's choice to remain loyal to a store is significantly impacted by the service quality and the selling behaviour. In addition, the relationship between the variables is mediated by the satisfaction-trust combination. The significant indirect path demonstrates that customer satisfaction and trust mediate the connection between store characteristics and customer purchasing behaviour. The research has substantial repercussions for multiple retail channels, which can differentiate the retail brand services by incorporating retail service quality and selling behaviour strategy (relational and consultative selling). Retailers of the high involvement products category who heavily rely on the selling skills and behaviour of salespeople or employee can benefit from the study to implement retail brand positioning strategy.<sup>7</sup> Retailers of the high involvement products category heavily rely on salespeople or employees' selling skills and

behaviour.

## STATEMENT OF THE PROBLEM

The relationship between satisfaction and loyalty has piqued the interest of marketing academics and practitioners for decades. However, the majority of these studies have focused on products, with a smaller number of studies focusing on services or channel intermediaries. Customer satisfaction surveys have become common in many home appliances over the last five years.<sup>8</sup> Surprisingly, both in terms of number and scope, research on the relationship between service quality, satisfaction, and patronage intention in home appliance retail stores has remained limited. However, in today's environment of increased competition and rapid market entry of new store concepts and formats, the managerial challenge of increasing store loyalty also poses the research challenge of gaining a better understanding and empirical estimation of this critical consumer behaviour. The current study, titled Impact of Service Quality Dimensions on Customer Satisfaction and Patronage Intentions on Hardware Retail Stores, attempts to understand the various factors influencing customer satisfaction and patronage intentions concerning various dimensions of hardware service quality.

## OBJECTIVE OF THE STUDY

- To identify the key factors influencing customers' decisions to buy products towards household hardware accessories.
- To analyze the significance difference between customer satisfaction and repurchase intention towards household hardware accessories.
- To determine the most critical attributes contributing to service quality and its impact on the behavioral intention of household hardware accessories.

## SCOPE OF THE STUDY

The survey only included hardware stores and was limited to Thiruvallur Tamil Nadu. This study looked at product attributes, store atmosphere attributes, promotional attributes, employee attributes, and service attributes to better understand consumer store preferences. The above attributes also investigate the relationship between consumer satisfaction, store experience, and store preference behaviour. This can be used

to guide future business plans and make changes to current retailing activities. To be competitive in the hardware store environment, store managers should either formulate new strategies or modify existing strategies, as this study highlighted hardware store attributes, consumer demographics, and various shopping motives.

## RESEARCH METHODOLOGY

This descriptive study examines the relationship between service quality qualities and the intent to acquire hardware accessories in Thiruvallur. The primary data was collected from 125 customers in the sample area who purchased hardware accessories. Methods of quota sampling were used to collect primary data, and advanced statistical analysis was employed to test the hypothesis. The conclusions of this study will aid hardware retailers in boosting their sales performance and discovering alternate sources of knowledge.

## DATA ANALYSIS AND RESULTS

### *Friedman Test*

$H_0$ : There is no significant difference towards the mean rank to identify the various factors

| Particular            | Mean    | Standard Deviation | Correlation | T value | P value |
|-----------------------|---------|--------------------|-------------|---------|---------|
| Customer Satisfaction | 20.24   | 3.666              | (0.842)     | -3.336  | (0.000) |
| Purchase Intention    | 20.8320 | 3.23722            |             |         |         |

It was observed that the null hypothesis is accepted because the probability value is lower than 0.05. There is sufficient evidence to support the conclusion that there is a significant difference between the purchase intention of the customer and the level of customer satisfaction when evaluated using the = 0.05 level of significance.

## MULTIPLE REGRESSION ANALYSIS

To study the most critical factors contributing to service quality and its impact on the behavioral intention towards hardware accessories.

### *Variables in the Multiple Regression Analysis*

| Variables      | Unstandardized Beta Value | Standard Error-Beta | Standardized-Beta Value | T Value | P Value |
|----------------|---------------------------|---------------------|-------------------------|---------|---------|
| Constant       | 3.827                     | .858                | -                       | 4.460   | 0.000   |
| Tangibility    | .001                      | .047                | .001                    | .020    | 0.000   |
| Reliability    | .256                      | .063                | .300                    | 4.033   | 0.000   |
| Responsiveness | .064                      | .062                | .076                    | 1.033   | 0.000   |

influencing customers to purchase hardware accessories.

### **Friedman Test Statistics Value**

|                                 |
|---------------------------------|
| Brand Image Mean Rank - 3.19    |
| Pricing Mean Rank - 2.90        |
| Store Location Mean Rank - 2.82 |
| Design Mean Rank - 3.01         |
| Discounts Offers - 3.08         |
| Sample Size - 125               |
| Chi-Square value - 8.028        |
| Asymp. Sig. - 0.000             |

It demonstrates that the null hypothesis is rejected at the 5% significance level since the p-value is less than 0.05. As a result of the Friedman test, it is found that there is no significant difference towards the mean rank to identify the various factors influencing customers to purchase hardware accessories. According to the Mean Rank, Brand Image (3.19) is the most dominant factors influencing customers to purchase hardware accessories.

## PAIRED T TEST

$H_0$ : There is no Significant difference between purchase intention of the customer and customer satisfaction.

| MRA Summary           |                                                                                                              |
|-----------------------|--------------------------------------------------------------------------------------------------------------|
| Dependent Variable    | Behavioural Intention(Y)                                                                                     |
| Independent Variables | 1. Tangibility (X1)<br>2. Reliability (X2)<br>3. Responsiveness (X3)<br>4. Assurance (X4)<br>5. Empathy (X5) |
| Multiple R value      | 0.887                                                                                                        |
| R Square value        | 0.787                                                                                                        |
| F value               | 87.694                                                                                                       |
| P value               | 0.000                                                                                                        |

|           |      |      |      |       |       |
|-----------|------|------|------|-------|-------|
| Assurance | .394 | .071 | .455 | 5.568 | 0.000 |
| Empathy   | .124 | .068 | .139 | 1.822 | 0.000 |

The coefficient of  $X_1$  is 0.01 represents the partial effect of Tangibility on Behavioural Intention, holding the other variables as constant. The estimated positive sign implies that such effect is positive that Behavioural Intention would increase by 0.001 for every unit increase in Tangibility and this coefficient value is significant at 1% level. Besides, the coefficient of  $X_2$  is 0.256 represents the partial effect of Reliability on Behavioural Intention, holding the other variables as constant. The estimated positive sign implies that such effect is positive that Behavioural Intention would increase by 0.256 for every unit increase in Reliability and this coefficient value is significant at 1% level. The Multiple Regression equation is

$$Y = 3.857 + 0.001X_1 + 0.256X_2 - 0.064X_3 - 0.394X_4 + 0.124X_5$$

## SUGGESTION AND RECOMMENDATION

- It is suggested that the Hardware stores to adapt the customer feedback mechanism, Hence after every purchase that is made by a customer, Hardware stores to follow up on the customer and to encourage the customer to fill up the feedback form about the product experience and how much they are satisfied with the quality of the product as this will help the organization to determine the customers review on the product where as this shall be very helpful for the organization for further development.
- It is recommended that whenever a new products or new accessories are launched make a earlier announcement to the existing customers or new customers with a great notice promotion, through advertisement or social media.
- It is suggested that Hardware stores should focus on price, durability, knowledge about the product, adequate services, the promise of quality and features, value for money and consistency in performance because these play a significant role to selecting the hardware accessories. Furthermore, the attributes advertisement of the product, past experience, use of latest technology, product image, value added services, free trial and discount, country origin, a logo to differentiate the offerings, acceptance & goodwill in the society and uniqueness are

also important to attract the customers where they shall intent to purchase often.

## CONCLUSION

The view of service quality in the hardware industry differs from that of other service environments. Because hardware stores sell both products and services, they are more likely to influence service quality than product quality. Thus, service quality is important in shaping quality perception. The quality of hardware service is also related to future consumption behaviour in terms of the customer's intention to visit, purchase, and suggest to others. As a result, it is critical for hardware shop managers to assess the quality of hardware service in their businesses. The study examined previous literature and statistics to better understand the elements that boosted or decreased consumer happiness and loyalty. This aided in identifying characteristics such as convenience, supplementary services, personnel reliability and competency, service recovery methods, and so on that influence customer happiness. The study also sought to comprehend the relationship between Customer Satisfaction and Behavioral Intention, concluding that while Customer Satisfaction is a forerunner to Customer Loyalty, it is not the only determining factor. To successfully operate a hardware store, the dimensions addressed for this study must be properly developed and provided to fulfil client expectations. Tangibles can be improved by focusing on aspects such as store design, layout, visible signs, atmospherics, lighting, and physical arrangements, to name a few. The retail store must also improve their "Recovery" by acting quickly, tracking complaints, making the service fail safe, providing proper explanations when necessary, and assuring fair play in transactions. In order to improve consumers' perceptions of "responsiveness" at the outlet, Hardware Store should learn from past experiences, solicit feedback and suggestions from customers, and teach staff in politeness and empathy.<sup>9</sup> Continuous and proper training is required for workers to use equipment and have knowledge of assortments, prices, offers, cash wrapping, promotions, and so on. These efforts have the potential to increase the "Knowledge" dimension of Service Quality. With the correct tactics in place for these dimensions, Hardware Store may be confident of favourably affecting Customer Satisfaction and, as a result, customers' Behavioural Intentions.

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