

Application of SERVPERF for Rural Retailer: Reliability and Factor Analysis

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Abstract - Retail sector is the booming sector in global and Indian economy. The Indian retail industry is divided into organized and unorganized sectors. The Indian retail sector is highly fragmented with 97% of its business being run by the unorganized retailers like the traditional family run stores and corner stores. This is the right time to know the quality of rural retailers. This study focuses on the rural retailer's quality level through SERVPERF measuring scale (Croin, 1992). The tool was applied for 385 respondents from rural area in Dindigal District, Tamil Nadu. This research describe that most of the rural people are dissatisfied with the rural retailer services. At the same time qualification of the respondents and their position in the society play a major role to determine the attitude towards satisfaction. The rural retailer improves competitiveness among them, and then only they will compete with organized retailer.

Keywords: Competitiveness, Threats, Quality, Organized Retailer, SERVPERF

I. INTRODUCTION

Retailing and rural marketing both are booming the Indian economy. Retailing currently contributes 10% of India's GDP and 6-7% of employment opportunities (Kalhan, 2007). Bottom of the pyramid concept clearly shows the opportunities and advantages of the rural market. Retailing is the interface between the producer and the individual consumer buying for personal consumption (Anmol Soi, 2009). Retail has traditionally been a major sector in India employing millions of people. The Indian retail industry is divided into organized and unorganized sectors. Both of them have different characteristics, features, activities and types. The Indian retail industry is estimated to worth Rs 13-14 lakh crore in Financial year 2008 (India Retail report 2009-IMAGES research). The country's dynamic retail landscape presents a grand opportunity to investors from across the globe, to use India as a strategic business hub. With the changing face of retail, the Indian consumer is in for a rapid transformation. With retail spending growing at double digit, Private Final Consumption Expenditure (PFCE) at current prices was estimated at Rs. 26,07,584 crore in 2007-08 as against Rs. 23,12,105 crore in 2006-07 (R S Roy, 2009).

A few of the Indian & International retail brands are operating in India currently. Pantaloon Retail, Shoppers Stop, Tata Trent Ltd, RPG Enterprises, Landmark Group, Madura Garments, Vivek Group, Globus, Subhiksha Trading Services, Nilgiris Ltd., Trinethra Super Retail Ltd., Provogue Ltd., Bata India Ltd., Archies Ltd are some of the Indian retail brands to mention. Nine West, United Colors of Benetton, Adidas, Mango, Pizza, Marcoricci Italy, Red Earth, Nike, TGI Friday's, Mc Donalds, Samsonite, Promod, Lasenza, KFC, Reebok are a few International retail brands to highlight.

A. Unorganized Retailing in Rural Area

Unorganized retailing refers to the traditional formats of low-cost retailing, for example, the local Kirana shops, owner manned general stores, paan / beedi shops, convenience stores, hand cart and pavement vendors, etc. Unorganized retailing is characterized by a distorted real-estate market, poor infrastructure and inefficient upstream processes, lack of modern technology, inadequate funding and absence of skilled manpower. Therefore, there is a need to promote unorganized retailing.

There are a total of 3,697,527 shops (retail outlets) in the rural sector, leading to an average of 5.85 shops per village. In Tamil Nadu and Pondicherry there are 7 or more shops per village. The unorganized sector defined as "The unorganized/informal sector consists of all unincorporated private enterprises owned by individuals or households engaged in the sale and production of goods and services operated on a proprietary or partnership basis and with less than ten total workers".

The Indian retail sector is highly fragmented with 97% of its business being run by the unorganized retailers like the traditional family run stores and corner stores. The Indian retail industry report pinpoint that unorganized retail have US \$ 266 billion marketing opportunities compare to organized retail (US \$14 billion) which is very high.

Shaoni Shabnam (2008) stated that since 1991, Indian economy retail sector has gradually undergone considerable changes in its form. The major shift has been the emergence of an organized sector within the retail industry. Shilpa Sharma, (2009) explored that we need to understand that Rural India which is heterogenous in nature. An old saying captures the variations in rural India perfectly - “*Kos-kos par badle paani, chaar kos pe baani*”, which translates to – at every mile taste of water changes and every four miles dialect (baani). Chitale C. M. *et al.*, (2008) reported that overall market for food and grocery is estimated to be Rs 6.7 lakh crore, of which the share of organized retail is estimated at Rs 4,000 crore, which is less than 0.6%. This segment is estimated to grow at a CAGR (compounded annual growth rate) of 33% over the next five years. Over 12 million small and medium retail outlets exist in India, the highest in any country. Traditional retail formats are highly popular in small towns and cities with primary presence of neighborhood “kirana” stores, push-cart vendors, “melas” and “mandis” (Retail, December 2008). The Current & Traditional Format Retailers or Unorganized Retail Models in India is i) Kiranas: Traditional Mom and Pop Stores, ii) Kiosks, iii) Street Markets, iv) Exclusive /Multiple Brand Outlets.

B. Boom of Organized Retailing in Rural India

Booming of organized retailing in rural India is a biggest threat to the rural retailer. The Indian retail market has been ranked the second most attractive emerging market for investment after Vietnam (AT Kearney's seventh annual Global Retail Development Index (GRDI), in 2008).

The organized retail sector is expected to grow stronger than GDP growth in the next five years driven by changing lifestyles, strong income growth and favorable demographic patterns (KPMG, 2005). The Organized Retail market stood at Rs.96, 500 crore in 2008. The industry has grown at a CAGR of 36% between 2004 and 2008. This growth was mainly driven by changing lifestyles, rising disposable incomes, favorable demographics, and easy credit availability, etc. (NSDC report). Organized Retailing in India is growing at a very fast pace. Modern Format Stores on the other hand would have to work on the ambience, variety, convenience and facilities that they offer to ensure regular footfalls (Aparna Tembulkar, 2007).

As per the result of F&R Research estimates for India Retail Report the Indian Retail market stood at Rs.1,330,000 crore in 2007 with annual growth of about 10.8 % Of this, the share of organized Retail in 2007 was estimated to be only 5.9%, which was Rs.78,300 crore. But this modern retail

segment grew at the rate of 42.4% in 2007, and is expected to maintain a faster growth rate over the next three years, especially in view of the fact that major global players and Indian corporate houses are seen entering the fray in a big way. Even at the going rate, organized retail is expected to touch Rs.2,30,000 cr by 2010, constituting roughly 13% of the total retail market (R S Roy, 2009).

Organized retail all over India will require 200 million sq. ft. by the end of 2010. Not only that a great demand for at least 50,000 new hotel rooms in the next five years is emerging and the hospitality sector looks forward to attain this target (Dr.R.Venkatesh, 2007). Organized Retailing has Foreign Direct Investment to the extent of 49% that is permitted in India. Food World operates as a 51:49 joint venture with Dairy Farm International of the Jardine Matheson Group, a US \$ 4.5 billion retail giant operating in the Asia-Pacific markets with the requisite experience (Dr.Vikram Singh, 2003).

In India with 15 million retailers, most of them owning small mom and pop outlets, we also have a modern retail flourishing like never before. There is little room for conflict as evidenced from the fact that India presents a unique case of consumption-driven economy. Poor infrastructural facilities in rural segments have been one of the factors holding back rural industrialization in India.

C. SERVPERF Scores on Service Quality Factors

Cronin and Taylor (1992) were amongst the researchers who leveled maximum criticism on the SERVQUAL scale. They provided empirical evidence across four industries to corroborate the superiority of their 'performance only' instrument over disconfirmation-based on SERVQUAL Scale. In equation form, it can be expressed as:

k

$$S_{qi} = \sum_{j=1}^k P_{ij}$$

Where,

S_{qi} = perceived service quality of individual 'i'

k = Number of attributes / items

P = Perception of individual 'i' with respect to performance of a service firm on attribute 'j'

The SERVPERF scale is found to be superior not only as the efficient scale but also more efficient in reducing the number of items to be measured by 50%. (Hartline and Ferrell, 1996; Babakus and Boller, 1992; Bolton and Drew, 1991). Lots of researcher have used the SERVPERF scale to measure the customer perception of Public School Volunteerism (P. Marshall, 2004) retail banking (Vanniarajan & Anbazhagan, 2007), Higher education

'HEdPERF' (Brochado & Marques, 2007), private bank (Cuong, 2009), Musem (L.P. Mey & Mohamed, 2010), retail shopping (P. Marshall *et al.*). This is the first study to measure the quality of rural retailer using SERVPERF scale.

II. OBJECTIVE OF THE STUDY

The primary objective of the study is to measure reliability of SERVPERF to rural market and measure the service quality of rural retailers. The Secondary objective is to conform whether demographic factors influence the perception of the rural customer.

III. HYPOTHESIS TESTING

The objectives of the study will justify with following hypothesis assumption. This study tests the following null hypothesis.

1. Customer age group didn't determine the perception of rural retailer service quality.
2. Qualification of the respondents didn't influence the perception of the customer.
3. Designation is not a matter to influence perception of the customer.

4. Family income of the customer didn't influence the perception.
5. Competition among the rural retailer never influence the perception of customer.

IV. STUDY METHODOLOGY

Descriptive research design was used to study the perception of service quality among rural retailer. The primary data was collected based on convenience sampling method. The total rural population in Dindigul district is 13, 53, 808. That is 62.63% of total population of Dindigul district. SERVPERF scale was used to collect primary data from 400 (0.03% of total rural population) samples from rural customers in Dindigul district. 385 (96.25%) samples were qualified. The secondary data was collected from the articles, newspapers, books and internet. The percentage method, correlation, two tailed T-Test, F statistics, reliability test and factor analysis were used to measure the quality of retailers in rural areas. The collected data have been analyzed with the help of SPSS package. The scope of this study is to know the service quality of retailers in rural areas. This study shows the present level of quality of services and indicates the area for improvement.

V. DATA ANALYSIS

TABLE I DEMOGRAPHIC DETAIL OF THE RESPONDENT

Particulars	%	Particulars	%	Particulars	%
<i>Age Group</i> Below 20	26.8	<i>No. of Retail Outlet</i> Below 5	22.3	<i>Designations</i> Former	21.8
21 to 30	19.0	6 to 10	16.9	Daily Wager	25.2
31 to 40	16.4	11 to 15	21.0	Professional	22.3
41 to 50	17.1	16 to 20	20.8	Self Employee	17.9
51 & Above	20.8	21 & Above	19.0	Students and others	12.7
Total	100	Total	100	Total	100
Particulars	%	Particulars	%	Particulars	%
<i>Qualification</i> Illiterate	16.4	<i>Family Income</i> Below 3000	14.0	<i>Gender</i> Male	57.4
Schooling	20.3	3001 to 10000	23.6	Female	42.6
Diploma	26.5	10001 to 20000	18.7		
U.G	19.7	20001 to 30000	20.5		
P.G & More	17.1	30001 & Above	23.1		
Total	100	Total	100	Total	100

Source: Primary Data

Knowing customer demographic factors are very essential because these are the factor are determining individual behavior, perception and expectation. Need, wants, desire vary based on income level, educational qualifications, age group, designation and their family setup. Most of the rural people live in joint family. In joint family purchase decision is entirely different than nuclear family people. Those who are earning more, their expectation and perception level will vary with those who are earning less. The individual behavior has lots of difference based on their job profile. The results of demographic details are shown in table I.

The Table I shows that 57.4 % are male and 42.6 % are female, 26.8% of the respondents come under below 20 age group. The young blood has quick decision making and easy to move alternative. So the competitiveness plays a major role to determine the service preference 22.3% of the respondents live with minimum of 5 retail shop at the same time 19% of the respondents came in 21 and above retailers. 23.6% of the respondent's family earn 3001 to 10000 and 23.1% respondents family earn more than 30001. Another important

factor to determine the service preferences is intelligence of the respondents. Most of the rural people have lots of experiences, but 16.4% of the rural population is Illiterate and 26.5 % are diploma holders. Like qualification respondents designation also disturb the service preferences. This study found that 25.2% of the respondents are daily wagers. They involve in agri culture, mason, helpers, textile mill labour and other field.

The important service quality factors in retailing are identified with the help of factor analysis. Before conducting the factor analysis, the validity of data for factor analysis is examined with the help of Kaiser-Mayer-Ohlin measure of sampling adequacy and Bartlett's test of sphericity. The KMO measure of sampling adequacy (0.503) which is very close to the standard minimum of 0.50. And the chi-square is significant even at zero per cent level. Both these tests confirm the validity of the data for factor analysis. The scores on seventeen variables related to the service quality of retailing are included for factor analysis. The factor analysis results in four important service quality factors namely reliability, responsiveness, assurance and tangibles.

TABLE II IMPORTANT SERVICE QUALITY FACTORS IN RURAL RETAILING

Variables in Service quality	Factor Loading	Egien Value	% of Variation
Reliability			
Being sincere to solve problems	0.5837	6.2578	36.81
Providing services at promised time	0.4084		
Promise to do something on time	0.5641		
Keeping records correctly	0.5717		
Performing the service right at first time	0.6305		
Responsiveness	0.6090	4.1515	24.42
Telling customer exactly what they do			
Prompt services to customers	0.4836		
Employees willingness to help	0.4861		
Employee oblige the requests of customers	0.5908		
Assurance		3.5860	21.09
Employees are trustworthy	0.5491		
Knowledgeable employees	0.5702		
Consistent courteous	0.5705		
Feeling safe in money transaction	0.5373		
Tangibles	0.5909	3.0046	17.67
Upto date equipments			
Physical facilities	0.5645		
Neatness of employees	0.6178		
Communication material	0.4936		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy: 0.503		Bartlett's Test of Sphericity: Approx. Chi-Square: 127.995* * Significant at zero percent level.	

The narrated four service quality factors explain the service quality variables in rural retailers to the extent of 99.99%. The most important factor is the 'reliability' factor. The eigen value and the per cent of variation explained by this factor are 6.257 and 36.81% respectively. The second important factor is responsiveness. The Eigen value and the percent of variation are 4.1515 and 24.42% respectively. The next two important factors are assurance and tangibles with four variables in each. The first important service

quality variable are “Performing the service right at first time”, “Neatness of employees”, “Telling customer exactly what they do” and “Upto date equipments”.

The overall attitude towards retail banking services offered by the bankers have also been measured at five point scale namely highly satisfied, satisfied, moderate, dissatisfied and highly dissatisfied. The distributions of customers on the basis of their overall attitude towards banking are presented in Table III.

TABLE III OVERALL ATTITUDES OF RURAL RETAILERS

Factors of Service Quality	Reliability		Responsiveness		Assurance		Tangibles		Total	
	NO	%	NO	%	NO	%	NO	%	NO	%
Highly dissatisfied	398	20.68	304	19.74	266	17.27	311	20.19	1279	19.54
Dissatisfied	388	20.16	299	19.42	360	23.38	323	20.97	1370	20.93
Moderate	346	17.97	338	21.95	300	19.48	314	20.39	1298	19.83
Satisfied	384	19.95	297	19.29	302	19.61	293	19.03	1276	19.49
Highly Satisfied	409	21.25	302	19.61	312	20.26	299	19.42	1322	20.19

Source: Primary Data

TABLE IV PERCEPTION ON SERVICE QUALITY VARIABLES AMONG CUSTOMERS

Variables in Service Quality	Mean	Std. Devi	F Statistics		
			Mean square	F	Sig.
Reliability					
Being sincere to solve problems	2.9506	1.4773	0.8594	0.3913	0.8149
Providing services at promised time	3.0338	1.4239	2.4706	1.2213	0.3012
Promise to do something on time	3.0338	1.4813	3.8536*	1.7704	0.1341
Keeping records correctly	3.0597	1.4212	1.5886	0.7847	0.5356
Performing the service right at first time	2.9688	1.4083	1.5989	0.8045	0.5229
Responsiveness					
Telling customer exactly what they do	2.9870	1.4040	3.5960*	1.8403	0.1204
Prompt services to customers	2.9688	1.3935	3.4236	1.7774	0.1326
Employees willingness to help	2.9506	1.3939	2.2789	1.1751	0.3213
Employee oblige the requests of customers	3.0779	1.4139	1.3261	0.6610	0.6194
Assurance					
Employees are trustworthy	3.0416	1.4264	1.6452	0.8069	0.5213
Knowledgeable employees	3.0130	1.4206	1.6663	0.8242	0.5103
Consistent courteous	3.0052	1.3405	2.7074	1.5148	0.1971
Feeling safe in money transaction	3.0286	1.3756	1.3173	0.6939	0.5966
Tangibles					
Upto date equipments	3.0675	1.4033	2.7834	1.4195	0.2268
Physical facilities	2.9506	1.4032	1.3581	0.6875	0.6009
Neatness of employees	2.9377	1.3736	4.9839*	2.6880	0.0310
Communication material	2.9039	1.4537	0.7579	0.3562	0.8397
Grand Mean = 3.00					

* Significant at 5% level

TABLE V CUSTOMER AGE GROUP DIDN'T DETERMINE THE PERCEPTION OF RURAL RETAILER SERVICE QUALITY

<i>Factors of Service Quality</i>	<i>Correlation</i>		<i>T test</i>	
	<i>Value</i>	<i>Sig.</i>	<i>T value</i>	<i>Sig. (2-tailed)</i>
Reliability				
Being sincere to solve problems	0.039	0.443	0.84	0.402
Providing services at promised time	-0.116*	0.023**	1.54	0.124
Promise to do something on time	0.053	0.304	1.639	0.102
Keeping records correctly	-0.027*	0.602	1.85	0.065
Performing the service right at first time	-0.007*	0.892	1.012	0.312
Responsiveness				
Telling customer exactly what they do	0.018	0.729	1.201	0.23
Prompt services to customers	-0.037*	0.47	1.002	0.317
Employees willingness to help	0.013	0.80	0.852	0.395
Employee oblige the requests of customers	-0.045*	0.376	2.007	0.045
Assurance				
Employees are trustworthy	-0.07*	0.168	1.642	0.101
Knowledgeable employees	0.066	0.199	1.48	0.14
Consistent courteous	-0.015*	0.766	1.383	0.167
Feeling safe in money transaction	0.089	0.081	1.679	0.094
Tangibles				
Upto date equipments	-0.025*	0.621	1.936	0.05**
Physical facilities	0.02	0.692	0.852	0.395
Neatness of employees	-0.007*	0.896	0.724	0.469
Communication material	0.036	0.485	0.398	0.691

* Negative Correlation ** Significant at 5% level

As a maximum of 23.38% of the customers are dissatisfied in their attitude towards the assurance of rural retailer followed by 21.95% who have a Moderate attitude the responsiveness of rural retailer. Next to that 21.25 & 20.26 % of customers are highly satisfied in their attitude towards Reliability & Assurance respectively. From this overall attitude analysis it clearly explains that rural retailers are creating very low impact in tangibles and assurance. In over all perception of attitudes towards the retailers, 20.93% of the customers are dissatisfied with their services, at the same time 2.19 % of the customers are highly satisfied with rural retailer's service.

The rural people are asked to rate the seventeen variables from SERVPERF scale at five point scale from highly satisfied to highly dissatisfied. The scores assigned on these scales are from 5 to 1 respectively. The mean score of these service quality variables have been computed to

show the customers attitude towards the various aspects of service quality. The One-way Analysis of Variance has been used. The resulted mean score and the respective 'F' statistics are shown in Table IV.

The highly perceived service quality variables among the rural customers are keeping records correctly. The mean score is 3.0597. The retailer didn't use any hi tech data base. They know customer personally. The reason is they have very less customer. Employees trustworthy got the mean score of 3.0416 followed by providing services at promised time and promise to do something on time have mean score is 3.0338. Rural retailer have very limited customer, that is the reason they can serve at promised time. Regarding the perception on service quality variables in the rural retailer, the significant difference among the customers are identified especially in case of Neatness of the employees since the respective 'F' statistics are significant at five per cent level.

TABLE VI QUALIFICATION OF THE RESPONDENTS DIDN'T INFLUENCE THE PERCEPTION OF THE CUSTOMER

<i>Factors of Service Quality</i>	<i>Correlation</i>		<i>T Test</i>	
	<i>Value</i>	<i>Sig.</i>	<i>T value</i>	<i>Sig. (2-tailed)</i>
Reliability				
Being sincere to solve problems	-0.002*	0.962	-0.591	0.555
Providing services at promised time	-0.042*	0.414	0.231	0.817
Promise to do something on time	0.08	0.119	0.241	0.81
Keeping records correctly	0.054	0.293	0.513	0.608
Performing the service right at first time	0.013	0.803	-0.425	0.671
Responsiveness				
Telling customer exactly what they do	-0.013*	0.806	-0.236	0.813
Prompt services to customers	0.003	0.953	-0.425	0.671
Employees willingness to help	0.002	0.974	-0.611	0.542
Employee oblige the requests of customers	0.022	0.669	0.692	0.489
Assurance				
Employees are trustworthy	-0.035*	0.496	0.309	0.757
Knowledgeable employees	0.004	0.936	0.026	0.979
Consistent courteous	0.01	0.841	-0.054	0.957
Feeling safe in money transaction	-0.025*	0.631	0.185	0.853
Tangibles				
Upto date equipments	0.001	0.984	0.582	0.561
Physical facilities	0.033	0.524	-0.618	0.537
Neatness of employees	0.022	0.669	-0.757	0.449
Communication material	-0.006*	0.903	-1.061	0.29

* Negative Correlation ** Significant at 5% level

Qualification of the customer is a main factor to influence the perception of the retailer service. Customer perception levels always correlate with their level of qualification. 'Being sincere to solve problems', 'Providing services at promised time' variables in reliability and 'Telling customer exactly what they do' variables in responsiveness and 'Employees are trustworthy', 'Feeling safe in money transaction' variables in assurance and 'Communication material' variables in tangibles were got the negative correlation value.

Correlation between customer designation and service quality variables had both positive and negative results. 'Providing services at promised time' and performing the services right at first time' variables got the positive correlation in reliability dimensions. 'Prompt services to customers' and employee oblige the requests of customers variables got the positive correlation in responsiveness dimension. Knowledgeable employees and feeling safe in money transaction variables got negative correlation.

All tangible variables are not influenced by income level of the customer expect upto date equipments. Customer income increase changes of changing their perception. Employees' willingness to help never affect the income increases of the customer. Reliability dimensions got more negative correlation score. Promise to do something on time and performing the service right at first time got the positive correlation value. Income levels of the customer play a vital role to determine the perception value.

Reliability, responsiveness, assurance and tangibles dimensions are influenced by the competition among retailer in the rural areas. Reliability dimension got more negative correlation value expect performing the service right at first time and being sincere to solve problems which got positive correlation. Competence of the rural retailer is a major factor to provide greater service to their customer. If retailer wants to lead and sustain the competition, they must concentrate more on reliability, responsiveness, assurance and tangible aspects of their service to their customer.

TABLE VII DESIGNATION IS NOT A MATTER TO INFLUENCE PERCEPTION OF THE CUSTOMER

Factors of Service Quality	Correlation		T-Test	
	Value	Sig.	T value	Sig. (2-tailed)
Reliability				
Being sincere to solve problems	-0.01*	0.838	2.019	0.044**
Providing services at promised time	0.045	0.382	2.977	0.003**
Promise to do something on time	-0.002*	0.965	2.844	0.005**
Keeping records correctly	-0.046*	0.369	3.105	0.002**
Performing the service right at first time	0.011	0.828	2.28	0.023**
Responsiveness				
Telling customer exactly what they do	-0.027*	0.597	2.424	0.016**
Prompt services to customers	0.061	0.235	2.353	0.019**
Employees willingness to help	-0.097*	0.057	2	0.046**
Employee oblige the requests of customers	0.008	0.878	3.381	0.001**
Assurance				
Employees are trustworthy	0.059	0.245	3.078	0.002**
Knowledgeable employees	-0.058*	0.258	2.629	0.009**
Consistent courteous	0.034	0.5**	2.753	0.006**
Feeling safe in money transaction	-0.057*	0.261	2.83	0.005**
Tangibles				
Upto date equipments	0.023	0.649	3.314	0.001**
Physical facilities	-0.036*	0.479	2.05	0.041**
Neatness of employees	0.054	0.288	2.033	0.043**
Communication material	-0.114*	0.025**	1.498	0.135

* Negative Correlation ** Significant at 5% level

VI. CONCLUSION

Bottom of pyramid play a major role in Indian market both service and product marketing. Over all analysis is insisting to the rural retailer to develop all aspect of service variables to provide better service. The rural retailer should awake now to improve the service. If, they miss this opportunity the organized retailer would capture the rural market. Organized retailer entry in rural areas will create more problems to the rural retailer.

Rural market is a very fast growing market in India. Retailing is booming and contributing more to Indian GDP. India has unorganized retailing at the rate of 97%. The emergence of organized retailing is good for Indian economy,

at the same time it may create a problem to the unorganized retailers. Most of the organized retailers have great strategy of these three dimensions. Rural unorganized retailers have small and tinny shops for their business; one or two employees may work in their shops. They have less variety of goods and they sell only for rural people's daily needs. This study clearly shows that the unorganized retailers are not good in tangibles, reliability and empathy. They must concentrate on their tangibles, reliability and empathy dimensions based on their target people expectation and perception values. Rural people are cleverer than urban people. Rural customer's expectations increase more because of mass communication like television, mobile phone etc. They want to live in stylize way at cheaper cost.

TABLE VIII FAMILY INCOME OF THE CUSTOMER DIDN'T INFLUENCE THE PERCEPTION

Factors of Service Quality	Correlation		T- Test	
	Value	Sig.	T value	Sig. (2-tailed)
Reliability				
Being sincere to solve problems	-0.047*	0.354	-1.896	0.059
Providing services at promised time	-0.004*	0.939	-1.154	0.249
Promise to do something on time	0.081	0.11	-1.181	0.238
Keeping records correctly	-0.042*	0.414	-0.882	0.379
Performing the service right at first time	0.014	0.777	-1.821	0.069
Responsiveness				
Telling customer exactly what they do	0.029	0.568	-1.654	0.099
Prompt services to customers	0.013	0.795	-1.83	0.068
Employees willingness to help	-0.041*	0.425	-1.96	0.05**
Employee oblige the requests of customers	0.023	0.649	-0.73	0.466
Assurance				
Employees are trustworthy	0.046	0.371	-1.103	0.271
Knowledgeable employees	-0.033*	0.521	-1.341	0.181
Consistent courteous	0.016	0.748	-1.495	0.136
Feeling safe in Money transaction	-0.027*	0.598	-1.212	0.226
Tangibles				
Upto date equipments	0.073	0.155	-0.86	0.39
Physical facilities	0.031	0.548	-2.024	0.044**
Neatness of employees	0.056	0.275	-2.207	0.028**
Communication material	-0.041*	0.425	-2.366	0.018**

* Negative Correlation ** Significant at 5% level

TABLE IX COMPETITION AMONG THE RURAL RETAILER NEVER INFLUENCE THE PERCEPTION OF CUSTOMER

Factors of Service Quality	Correlation		T- Test	
	Value	Sig.	T Value	Sig. (2-tailed)
Reliability				
Being sincere to solve problems	0.057	0.261	-0.205	0.838
Providing services at promised time	-0.021*	0.677	0.601	0.548
Promise to do something on time	-0.004*	0.93	0.594	0.553
Keeping records correctly	-0.022*	0.663	0.851	0.395
Performing the service right at first time	0.07	0.173	-0.026	0.979
Responsiveness				
Telling customer exactly what they do	-0.041*	0.428	0.15	0.881
Prompt services to customers	0.073	0.153	-0.027	0.979
Employees willingness to help	0.01	0.848	-0.205	0.837
Employee oblige the requests of customers	0.057	0.267	1.071	0.285
Assurance				
Employees are trustworthy	0.042	0.416	0.697	0.486
Knowledgeable employees	0.009	0.857	0.407	0.684
Consistent courteous	-0.093*	0.07	0.324	0.746
Feeling safe in money transaction	0.04	0.431	0.578	0.564
Tangibles				
Upto date equipments	-0.093	0.069	0.902	0.368
Physical facilities	-0.027*	0.601	-0.201	0.841
Neatness of employees	-0.13*	0.011	-0.315	0.753
Communication material	0.03	0.556	-0.661	0.509

* Negative Correlation ** Significant at 5% level

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