A Study on how Mystery Shopping Helps to Achieve Service Excellence in Indian Retail Sector industrial Era 4.0

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ABSTRACT: *Service excellence is the act of going beyond customer expectations and delivering an industry-leading experience that really wows your clients. Most organizations provide good customer service, but customers keep coming back to the ones that go beyond to provide service excellence. Organizations across industries have discovered its importance by understanding customer needs and to meet or exceed those needs superior customer service is the key. As the market grows in competition and products are the same, the company focuses on service excellence to differentiate and achieve higher sales and market share. It's no longer now "what" you sell, but "how" you sell it. Upholding service excellence has been a top concern among senior executives in today's time. The 6 dimensions adopted for the service evaluation are physical evidence, reliability, responsiveness, assurance and empathy which needs constant updating and improvement in order to win a customer. This research helps to analysehow Mystery shopping is a technique usedby top retail brands to evaluate Service excellence where physical evidence, reliability and empathy are the dimension that help to build significant impact on the customer loyalty at the store.*

Keywords: Service Excellence, customer service, physical evidence, reliability, responsiveness, assurance and empathy.

INTRODUCTION:

Indian retail being one of the sub-sectors of the service industry is going through a period of transition. The Indian service sector is famous for its size and dynamism and also it's the fastest growing economy in the world for the past two decades. As a third sector, the service sector has become an important force in India's rapid economic growth, which has been led by the predominant skilled and knowledge-intensive service exports through a highly trained and empowered workforce. The growth here has been recorded higher than the agricultural and manufacturing sectors.Retailing as one of the major sub-sectors in service industry is going through a transition phase in India.In 2020, the retail market in India is estimated at $800 billion, down from $950 billion in 2019 as it was affected by the pandemic. By 2026, this value is expected to exceed 1.7 trillion, representing an increase of more than 80% compared to estimates given post 2018.As per Kearney report, the projected growth is at 9% over 2019-2030. E-retail has been hit during the pandemic and according to a report by Bain & Company associated with Flipkart, "How India Shops Online 2021", the E-retail market is expected to reach $120-140 billion by 2026 estimating a rise to about 25-30% p.a. in the next 4 years(IBEF, 2022).

The Indian retail industry has emerged as one of the most dynamic and fastest growing industries due to the entry of several new players. It accounts for more than 10% of the country's gross domestic product (GDP) and about 8% of employment. India ranks fifth in the world in terms of retail space and ranks 73rd in the United Nations Business-to-Consumer (B2C) Trade and Development E-Commerce Index 2019.India ranks 16th in the GDDIMG trust index (after USA, Canada, Germany, UK, China, Japan, France, Australia, Switzerland and Italy). India currently has the 4th largest retail market in the world. It recovered from Pandemic lows and grew from $630 billion at 10% YoY to $690 billion in the year 2021 (Shruti Chandra).
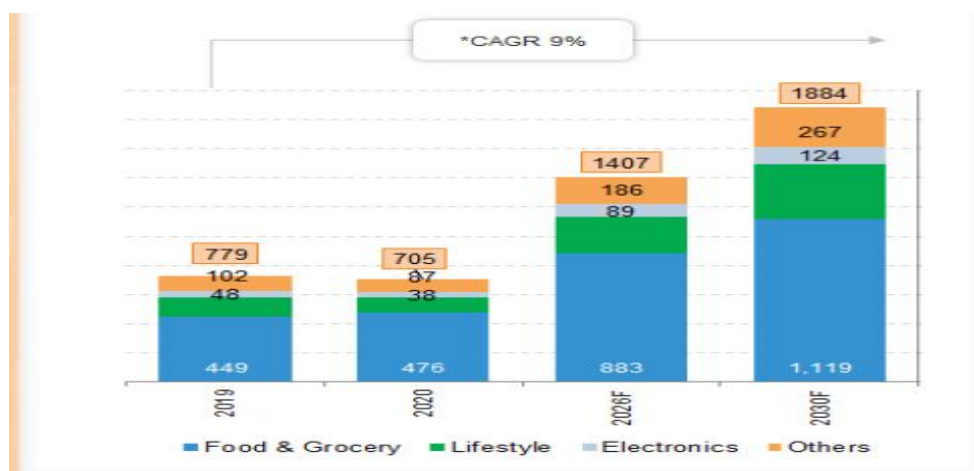
The Indian retail industry is divided into two sectors: organized and unorganized retail. Regular retail sales, sales tax, income tax, etc. are included under transactions carried out by registered retailers. Corporate sponsored hypermarkets, retail chains, private retail businesses are some examples of organized retailing. Unorganized retail mainly consists of local Kirana stores, general stores run by owners, street vendors, convenience stores, etc.

However, now we can see that traditional markets are giving way to shops, supermarkets and specialty stores. Shopping malls and buying branded products are also on the rise. Despite all this, the Indian retail sector is largely dominated by the unorganized segment with a share of 95%-97%. This is due to the deep penetration of the industry into rural areas and the large number of mom and pop shops in urban areas.Some of the major players in the organized retail sector are: Future Group Company Pantaloons Retail Ltd, Shoppers Stop Ltd., Spencer Retail- RPG Enterprises, Lifestyle- a Landmark Group venture. Other indigenous players include Reliance Retail, Bharti Retail, Aditya Birla "More", Globus etc. Also, coupling up of foreign players through Joint ventures with domestic firms has been on the rise (Business Maps of India, 2021).

OBJECTIVES OF THE STUDY:

1. To analyse how Mystery shopping helps to evaluate Service Excellence.
2. To analyse the importance of Mystery shopping in today's competitive Market setting.
3. To gauge the Service quality dimension that has the most significant impact on Service Excellence.

METHODOLOGY:

This study is based on Secondary data from government generated surveys, articles, journals, magazines, Mystery shopping provider company websites and research papers that include Mystery shopping and service excellence concepts.

HOW MYSTERY SHOPPING HELPS TO EVALUATE SERVICE EXCELLENCE:

Improving customer service is a goal of very customer-oriented department or organization. It is very important for customers and clients to be able to be associatedto good customer service delivered by the brand. This is part of brand development. However, it is very critical as to how a company test the services offered to new clients/customers. One of the easiest way is to check out incognito retail analytics, also known as hidden marketers or Mystery Shoppers (Isobel Redwigwam, 2020).

A retail owner is of course, very close to his own business and can't find answer to loop holes as to why there is low customer traffic, customer retention, low market share etc. This distance can hinder the understanding of the retail process offered by the retailer. In order to know how Mystery shopping helps to analyse service excellence a home customer experience would help to benefit the company at large which is a basic dynamic perspective. You can take an outside look at the retail experience and learn what the company process is like from a different, more nuanced perspective.It is said that "experience is everything; get it right". A good customer makes people feel appreciated and heard. It minimises friction, maximises, efficiency and maintains a human element through the customer interaction (PWC, 2017-2018)

In addition, by hiring a mystery shopper to evaluate your retail sales process, you can learn about issues you may never have imagined or considered from the customer's perspective. A mystery

2

shopper can analyse the process and recommend appropriate changes to improve the performance of the practice in terms of good results. Understanding structural deficiencies can help organizations redesign retail or sales processes. This analysis will help businesses to redefine the customer experience 'proposition'.Another important aspect of mystery shopping is employees and their interaction with the sales process and the broader customer service experience. You may encounter issues that require team retraining, re-evaluation, or team restructuring. This analysis will provide business leaders with the right tools to train and coach employees to create and maintain excellent customer service skills that are positive and customer focused.

A company needs to outline what metrics they are going to focus on and how you're going to measure those results. Monitoring results can help the employees and managers identify powerful metrics that can provide key performance indicators that can be used week in and week out to deliver key customer metrics.

RETAIL INDUSTRY TRENDS:

- Organized Retail Sector: The development of mega malls and hypermarkets boosted the organized retail sector.
- The spending power of the youth shows an upward trend. India has a lot of youth
- Ease of consumer credit, increased use of credit cards, and access to cheap and fast loans.
- Change in consumer's mind-set. Buyers' minds are shifting from lower prices and larger quantities to better quality and higher satisfaction.
- High brand awareness among consumers.

CONCLUSION:

So, as mentioned above, a mystery shopping analysis of retail business can help find issues and problems that can be identified and corrected through training and monitoring, from staff to structure. This research review has helped to analyse how Mystery shopping is a technique usedby top retail brands to evaluate Service excellence where physical evidence, reliability and empathy are the dimension that help to build significant impact on the customer loyalty at the store.