ASSESSMENT OF SERVICE QUALITY & CUSTOMER SATISFACTION IN LIFESTYLE APPAREL INDUSTRY

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ABSTRACT
We live in a VUCA world (Volatility, Uncertainty, Complexity, and Ambiguity) in which every second, the world changes. In today's competitive world, only those companies would be successful who are able to adapt to the changing environment. All the sectors, including the Lifestyle Apparel Industry, have been striving hard to attract customers with their offerings. The competition in Lifestyle Apparel Industry is not just from Indian players, but also international players. In this paper, we researched and analysed key terms such as 'Service Quality' and 'Customer Satisfaction' for an international company such as Zara. Every company must understand these concepts, in order to remain competitive in business. Service Quality is important as it can derive higher customer satisfaction and customer loyalty. We are trying to study the above concepts with the help of SERVQUAL Model. Theoretically, this model can best characterise customer satisfaction in the Lifestyle apparel Industry, and empirically, it describes the many dimensions of service quality on the perceived performance of customers of the garment brand 'Zara'.
Keywords: SERVQUAL, Customer satisfaction, Service, Quality, Lifestyle Apparel, Zara

Introduction
Every industry, including the Lifestyle Apparel Industry, has worked hard to entice clients with its services. Apparel companies use either a differentiation strategy, a low-cost strategy, or a centralised approach. They try to develop Blue Ocean Strategies, but introducing fresh game plans is almost impossible every time, thus the firms end up competing in Red Oceans. They strive to gain a competitive advantage over other businesses. The Lifestyle Apparel Industry is regarded as one of India's most important sectors. By 2026, this industry is anticipated to grow to US$ 190 billion from a current value of approx. US$ 99 billion. India has long been the leader in the textile and garment sector, but the sector temporarily suffered between 2020 and the beginning of 2021 as a result of the worldwide pandemic.
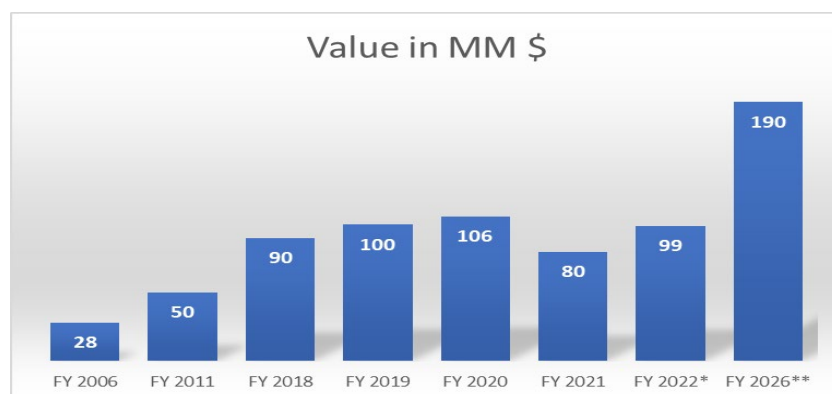
Graph: 1: Value of India's Lifestyle Apparel Industry
(Source: www.statista.com)

In the midst of the world economy's recovery, India simply needed a small push to ensure that it seized the opportunity and healthy demand in both home and international markets. Likewise, the most recent statistics made public by eminent garment businesses as well as through official channels confirm this. India is a hub these days for many global brands in apparel industry. All the major brands across the world source from India. India has been the preferred location for various brands like Zara, Gap, H&M, Tommy, etc. Lifestyle Apparel is quickly emerging and is keeping excellent development velocity. Its key characteristics are "rapidity, decisiveness, and correctness." The fashion brands have been a popular trend in the garment retail business for more than last ten years. They are distinguished by their quick product updates, design that mimics that of well-known worldwide brands, and affordable prices. However, as a result of the proliferation of several fashion

firms, the rivalry in this market has increased, making it extremely difficult for fashion apparel brands to grow. In just a few decades, the Spanish apparel company Zara, one of the numerous fashion firms, went from small ready-made shops to established top fashion brands of the world.

About ZARA
Zara SA is an apparel brand that deals in lifestyle and fashion industry. It deals in variety of products like fabric, accessories, shoes, swimwear, and beauty. Zara was initiated in 1975 by Amancio Ortega, who appointed his daughter **Marta Ortega Pérez as Chairman** in Nov 2021. When the store first opened, it was called Zorba. However, the same name was already taken by a bar, hence it was decided to rename it and the came up with name Zara. When Zara commenced its new store, customers observed that apparel on display were knockoffs of the pricey apparel trends. Soon after, Ortega started growing his company so that he could respond to industry changes faster and provide customers with the newest products. More outlets have been added by the company in Spain since 1980, and by 1988, it had expanded into foreign countries. Zara is a Spanish fashion brand that creates clothing with the newest trends in customer's mind. It belongs to the Inditex group, the biggest clothing retailer worldwide. Zara made $21.9 billion in sales in 2021. Over 2270 outlets and 176,600 staff worldwide comprise the fast-fashion behemoth. The business strategy of Zara incorporates sustainable practises and cost-cutting measures. Contrary to other fast-fashion companies, Zara creates high-quality yet inexpensive knockoffs of designer apparel. To offer its clothing and accessories at low prices, it creates them in large quantities.

Since Zara has been in business for 47 years and has been present in India for about more than decade (Zara came to India in 2010). Zara's brand value has grown as a result of the high calibre of products it provides. The wide variety of designs and reasonable pricing are due to the high calibre of the goods. Although Zara has been in business for 47 years, it has managed to stick to its core values and uphold the brand name while also keeping up with current market trends. Zara, although being a leader in the quick fashion sector, runs into numerous issues and hurdles as it develops. Inditex Trent Retail India Private Limited (ITRIPL) (a joint venture between Trent Ltd. and Inditex, The Tata Group subsidiary and parent company of Zara) operates in India. Trent controls 49%, with 51% owned by the Spanish Inditex group. Zara reported revenue of Rs. 1,126 crore and an after-tax loss of Rs. 41 crores in 2021. In India, Zara currently has 21 stores spread over 11 cities. Zara's incremental store openings are still planned with a focus exclusively on presence in extremely high-quality retail areas.

Literature review
The success or failure of every organisation depends on how well the strategic planning process is executed (Alam, 2011), The thesis was titled "Marketing Strategies of Readymade Garments Industry of India." Therefore, it is advised that an evaluation of elements under your control be done in the context of forces outside of your control. A low-cost product could be used to attract customers, and after a connection has been established, an organisation can sell other, higher margin goods and services that improve the customer's experience with the low-cost good or service. He added that the company should use quantifiable marketing techniques to achieve its marketing goals.

Aesthetic Attributes in Lifestyle Apparel
Customers evaluate clothing based on aesthetics. Customers must be developed in five important traits of aesthetic judgement: Interest, Subjectivity, Exclusivity, Thoughtfulness, and Internality. The extent to which promoted new things and brands increase quality of life is determined by the aesthetic judgement exercised by customers in collaboration with sales promoters, which is impacted by in-store atmosphere and arousal on new products (Rajagopal, 2008). Colour, pattern, styling, and fabric are all important factors in influencing women's choice of things from display racks during the intention phase at the point of purchase (Eckman, Damhorstand, & Kandolph, 1990). Female customers select garment products to fit specific lifestyle roles (Cassill, Drake, 1987). Price, brand reputation, shop image, product attributes are all factors that customers always use to judge the quality of a product. (Lambert, 1980).

Customer Satisfaction and Customer Delight
A phenomenon known as satisfaction expresses that a product's performance and advantages beyond the expectations of its users. (Peter, Olsan, 2005). Customer happiness and joy are critical for organisations in a competitive market, and they can be accomplished by responding rapidly to customers' needs (Hoffman, Mehra, 2000). Organizations usually develop competitive edge by using various blue ocean strategies to attract customers (Hussain, 2011). Reliability in quality is key for organizations. They explain that IT, and supply chain performance are interrelated (Zhang, Wang, 2011). Important notions like brand loyalty and product participation are thought to explain a large portion of consumer purchasing decisions.

Private Labels and its factors
Consumer perceptions of private labels are influenced by both intrinsic and external factors. Brand, store image, apparel usage, quality perception, pricing, and other factors impact modern-day customers. Individual qualities impact the customer's style and purchasing insights. Shopping engagement, importance of clothing image, fashion commitment, fashion aversion, and quality consciousness are some of them (Summers, Belleau, & Wozniak, 1992).

Supply Chain in Apparel Industry
Supply Chain Management is the integration of important business processes from end user to original supplier that offers products, services, and information that provide value for customers and other stakeholders (Lambert, Cooper 2000). Every organisation must have a proper supply chain (Shamshuzzaman, Hossain & Hassan, 2010). The key elements for organizations to have competitive advantage are 'service quality' and 'customer satisfaction' (Berinyuy, 2010). Supply chain and retail: The means to an end. (Agarwal, 2007) In recent years, the Indian retail sector has expanded dramatically. KPMG's report. According to Consumer Markets in India: The Next Big Thing, the organised retail sector would grow faster than the GDP during the next five years. According to AT Kearney's 2006 Global Retail Development Index, India is a top retail investment destination.

Objectives of the study
Some of the objectives of this study are as follows:
1) To identify and analyse various parameters of SERVQUAL model with respect to Lifestyle Apparel Industry.
2) To measure the levels of customer satisfaction of Zara with regards to their service quality.
3) To find shortcomings in Zara's service delivery relative to consumer expectations, using the SERVQUAL methodology.

Research Methodology
1) **Research design**
   Survey was the technique of choice for the project. It was conducted through telephonic interviews, personal interviews, and a self-administered questionnaire.
2) **Sampling Plan**
   A sample of 75 customers was selected from Mumbai. Keeping in mind the limited time frame and the size of sample required, it was a non-probability, convenience sampling.
3) **Data Gathering Instrument**
   The data gathering instrument was a questionnaire (closed ended questions). The questions generally used a summated Likert rating scale.
4) **Limitations**
   Due to limited time frame, the study has limitation with respect to sample size. A certain number of respondents' bias & sampling errors are inevitable. The accuracy & representation of the population should be viewed accordingly.

Hypothesis of the study
1) **Null Hypothesis H₀:** There is no significant difference in the opinion and perception of consumers, regarding the service delivery, with respect to Zara.
2) **Alternate Hypothesis H₁:** There is a significant difference in the opinion and perception of consumers, regarding the service delivery, with respect to Zara.
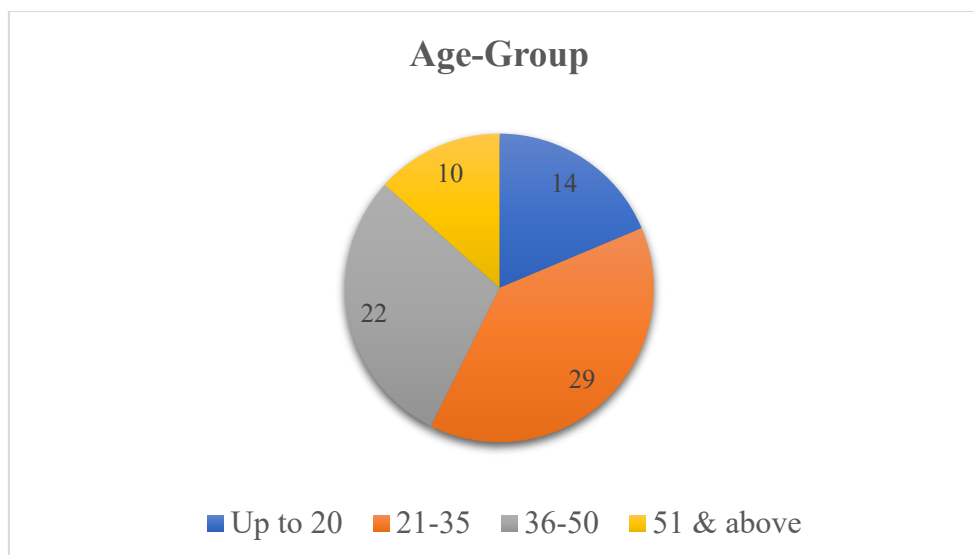
Data Analysis
Primary data from 75 respondents was collected via the Questionnaires. Demographics classification of the data collected is as follows:

A) Demography results

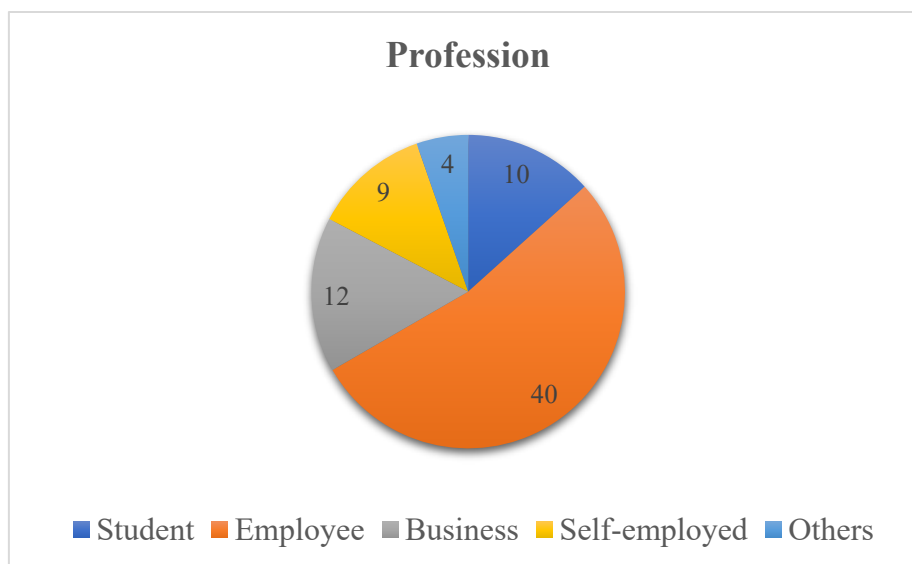| Age range	Frequency	Percent	Cumulative Percent
Up to 20	14	18.67	18.67
21-35	29	38.67	57.33
36-50	22	29.33	86.67
51 & above	10	13.33	100.00
Total	**75**	**100**	

Table 1: Age range of the respondents

Graph 2: Age-range of the respondents

Profession	Frequency	Percent	Cumulative Percent
Student	10	13.33	13.33
Employee	40	53.33	66.67
Business	12	16.00	82.67
Self-employed	9	12.00	94.67
Others	4	5.33	100.00
Total	**75**	**100**	

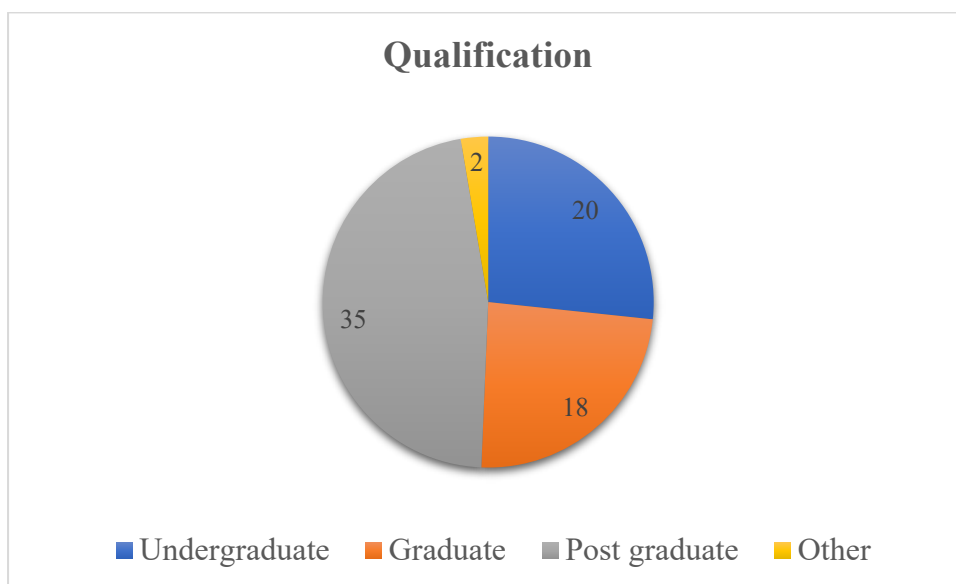Table 2: Profession of the respondents

Graph 3: Profession of the respondents

| Qualification	Frequency	Percent	Cumulative Percent
Undergraduate	20	26.67	26.67
Graduate	18	24.00	50.67
Post graduate	35	46.67	97.33
Other	2	2.67	100.00
Total	**75**	**100**	

Table 3: Qualification of the respondents

Graph 4: Qualification of the respondents

Frequency of the customers shopping from retail apparel store is as follows:

| Frequency of shopping	Frequency	Percent	Cumulative Percent
Only on Occasions	33	44.00	44.00
Once every two months	23	30.67	74.67
Once or more in a month	16	21.33	96.00
None of the above	3	4.00	100.00
Total	**75**	**100**	

Table 4: Frequency of Shopping
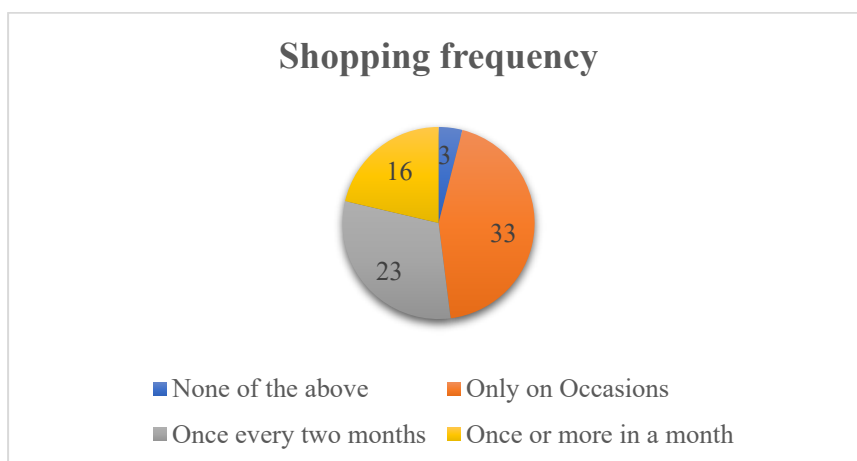
Graph 5: Shopping frequency of respondents
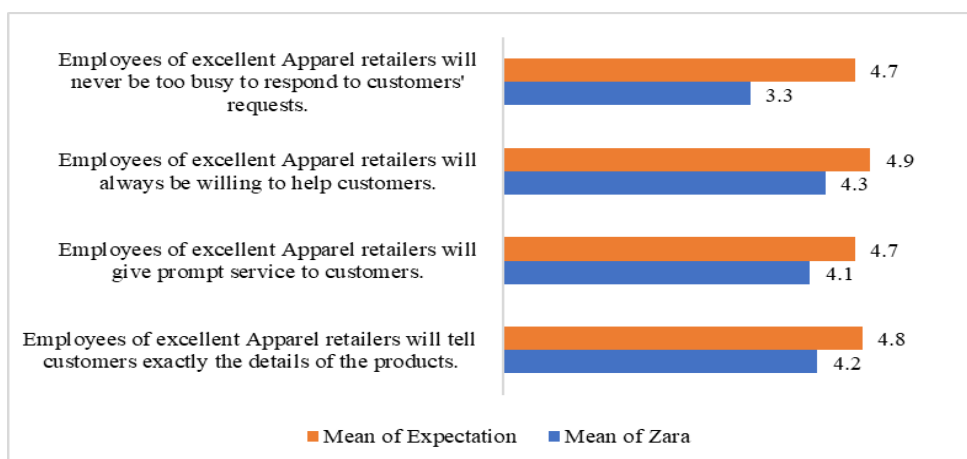
B) **Service Quality Dimensions**

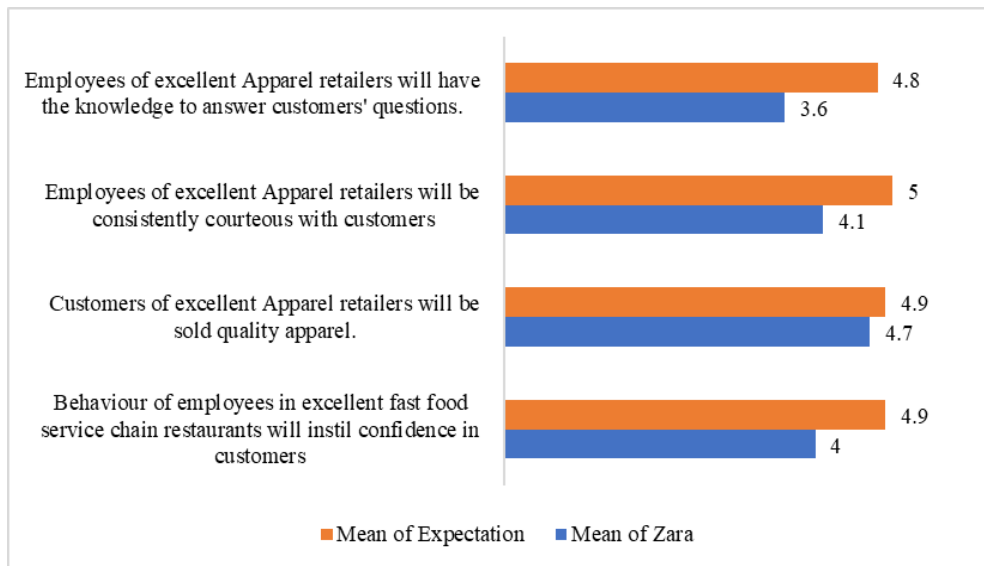Service quality dimensions of the data, as per SERVQUAL model, are as follows:
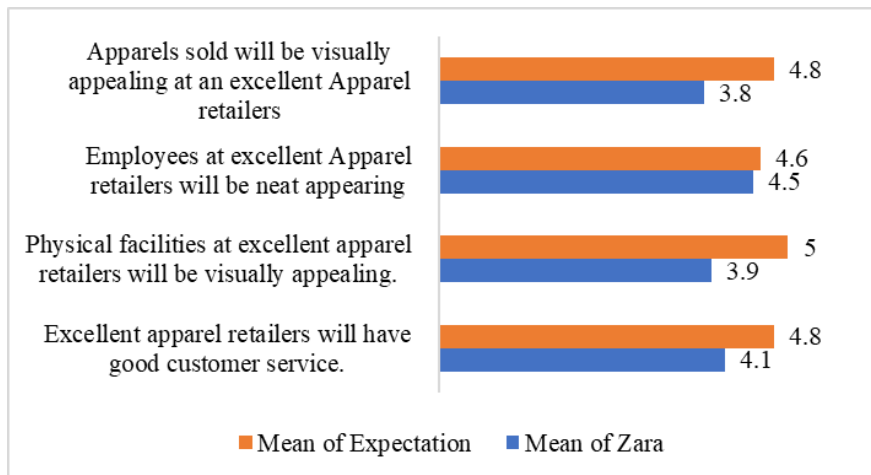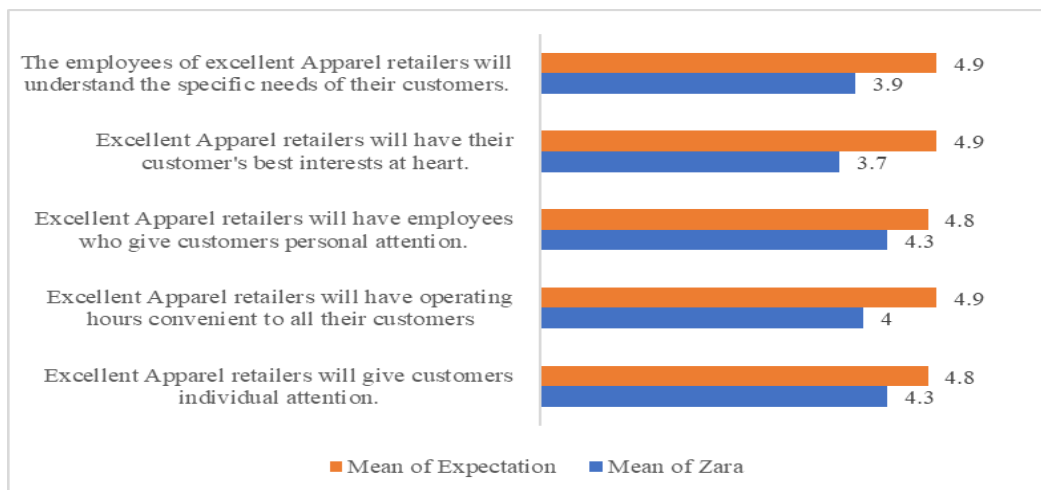
Graph 6: Tangibles
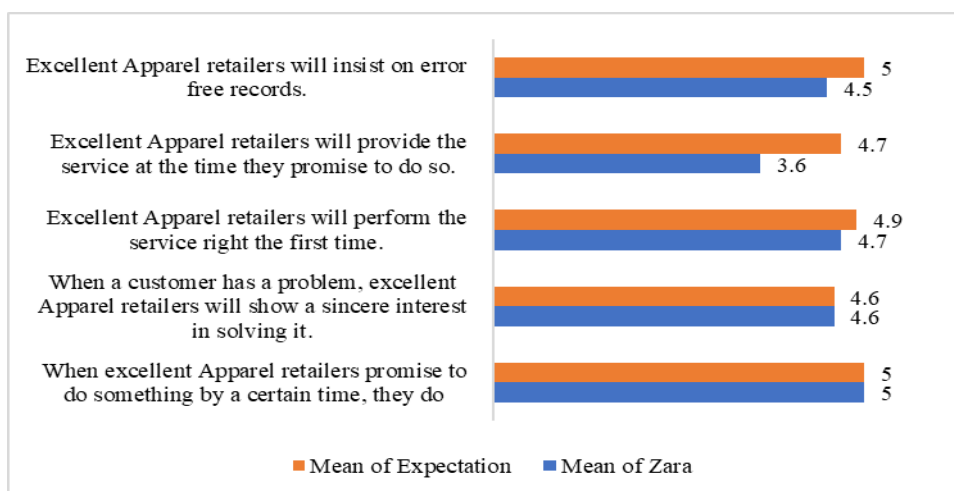
Graph 7: Reliability

Graph 8: Responsiveness

Graph 9: Assurance

Graph 10: Empathy

C) Paired Samples Test

Pair		Paired Difference				
		Mean	Std.Dev	t	df	sig
1	Excellent apparel retailer store will have good customer service. - Zara has really good customer.	1.60000	1.03016	10.983	49	.000
2	Physical environment at excellent apparel retailer store will be visually appealing. - Zara's physical environment is visually appealing.	1.80000	.75593	16.837	49	.000
3	Employees at excellent apparel retailer store will be neat appearing - Zara's sales representatives are neat appearing.	1.60000	.67006	16.885	49	.000
4	Apparels sold will be visually appealing at an excellent apparel retailer store - Apparels sold are visually appealing at Zara	1.20000	.40406	21.000	49	.000
5	When excellent apparel retailer store assures to do something by a given time, they do - When Zara assures to do something by a given time, it does.	1.30000	.46291	19.858	49	.000

Pair		Paired Difference				
		Mean	Std.Dev	t	df	sig
6	When a customer has a problem, excellent apparel retailer will give attention in solving it. - When you have a problem, Zara gives attention in solving it.	1.10000	.83910	9.270	49	.000
7	Excellent apparel retailer will execute the service right the first time. - Zara executes the service right the first time.	1.30000	.64681	14.212	49	.000
8	Excellent apparel retailer will provide the service at the time they assure to do so. - Zara provides its service at the time it assures to do so.	1.50000	.93131	11.389	49	.000
9	Excellent apparel retailer will insist on error free records. - Zara insists on error free records.	.90000	.54398	11.699	49	.000
10	Employees of excellent apparel retailer will inform customers exactly the details of the products. - Employees of Zara informs you exactly the details of the products.	.90000	.70711	9.000	49	.000
11	Employees of excellent apparel retailer will provide quick service to customers. - Employees of Zara provides you quick service.	.50000	1.03510	3.416	49	.001
12	Employees of excellent apparel retailer will always be eager to assist customers. - Employees of Zara are always eager to assist you.	.70000	.90914	5.444	49	.000
13	Employees of excellent apparel retailer will never be too occupied to answer customers' requests. - Employees in Zara are never too occupied to answer your request.	.50000	.93131	3.796	49	.000
14	Behaviour of employees in excellent apparel retailer will instil confidence in customers - Behaviour of employees in Zara instils your confidence.	-.10000	1.31320	-.538	49	.593
15	Customers of excellent apparel retailers will be sold quality apparel. - You are sold quality apparel with Zara.	.50000	.93131	3.796	49	.000
16	Employees of excellent apparel retailer will be constantly polite with customers - Employees in Zara are constantly polite with you.	.20000	1.55183	.911	49	.367
17	Employees of excellent apparel retailer will have the knowledge to respond to customers' questions. - Employees in Zara have knowledge to respond to your questions.	.50000	.67763	5.217	49	.000
18	Excellent apparel retailer will give customers individual care. - Zara gives you individual care.	.40000	1.12486	2.514	49	.015
19	Excellent apparel retailer will have operating hours suitable for all their customers - Zara has operating hours suitable for you.	.00000	1.10657	.000	49	1.000
20	Excellent apparel retailer will have employees who provide customer's personal care. - Zara has employees who provide you with personal attention.	.00000	.90351	.000	49	1.000
21	Excellent apparel retailer will have their	-.10000	.83910	-.843	49	.403

Pair		Paired Difference				
		Mean	Std.Dev	t	df	sig
	customer's best benefits at heart. - Zara has your best benefit at heart.					
22	The employees of excellent apparel retailer will comprehend the precise requirements of their customers. - The employees of Zara comprehend your precise requirements.	.00000	.78246	.000	49	1.000

Table 5: Paired Samples Test

D) Gap Analysis

As per the data collected, following table shows the GAP Analysis of the responses received.

SERVQUAL SCORE	Expected Mean	Perception Mean	GAP
Average **Tangible**	4.8	4.2	0.6
Average **Reliability**	4.8	4.4	0.4
Average **Responsiveness**	4.7	3.9	0.8
Average **Assurance**	4.9	4.1	0.8
Average **Empathy**	4.8	4.0	0.8
TOTAL	**24**	**20.6**	**3.4**
Average Un-weighted Score	**4.8**	**4.12**	**0.68**

Table 6: Gap Analysis

#	GAP BETWEEN
1	Consumer Expectation and Management Perception
2	Management Perception and Service Quality Specifications
3	Service Quality Specifications and Service Delivery
4	Service Delivery and External Communications
5	Perceived Service and Expected Service

Table 7: Analysis of Gap

GAP 1	
Inadequate Market research orientation	No much market research conducted in India.
Insufficient relationship focus	Arrogant and unhelpful staff at times.
Inadequate service recovery	If anything is wrong with their products, they do not entertain at times.

Table 8: Determination of Gap 1

GAP 2	
No Standard operating procedures	NA

Table 9: Determination of Gap 2

GAP 3	
Failure to match supply and demand	Usually, the stores over a weekends are much crowded, hence they are not able to serve their customers in a better manner.
Problems with service intermediates	Due to franchisee, sometimes they do not keep up with its name.

Table 10: Determination of Gap 3

GAP 4	
Lack of integrated services marketing communication	They do not rely on advertisements that can be used by their competitors to get an edge over them.
Ineffective management of customer expectations	Sometimes value is not given as per the price charged.

Table 11: Determination of Gap 4

GAP 5	
Inadequate service leadership	It can get monotonous after visiting the place a few times.
Poor service design	Apparel gets out of stock very often. Customized apparel is missing.

Table 12: Determination of Gap 5

Hypothesis Testing
The Cronbach's Alpha, as calculated in the below table, is 0.958. Hence the data is considered to be highly valid for analysis and the results so obtained completely reliable.

Cronbach's Alpha	Cronbach's Alpha based on Standardized Items	Items
.958	.957	75

Table 13: Reliability Statistics

To test the above null hypothesis t-Test is applied. From the data analysis, it can be derived from the values of t, df and sig. that there is no significant difference between the expected and the perceived value except for responsiveness. **Hence H₀ is accepted. We can say that the customers are satisfied with the services of Zara.**

Findings
According to the findings of the study, apparel retailers must enhance their performance on key dimensions of service quality in order to maximise customer happiness, which will allow them to maintain their competitive edge and maintain a high degree of competitiveness. It is important for the future success of the firms to maintain its core strengths, have focus on quality and consistency, while carefully experimenting with new options.

Some of the recommendations are: **Research efforts** in the direction of assessment of quality of services are definitely the need of the hour. Attempts of such sort provide more useful information to get customers feedback on a regular basis. They should explore new variety of products. There is a high level of threats from the local competitors; they should be **creative and innovative** always. **Training and development activities** could be designed to address the customers' challenges. Performance based pay will also improve the quality of services.

Apparel companies can also **switch to local suppliers** to lower their transportation cost. They can monitor and regulate inventories using software, lowering inventory costs. Zara should take measures to **adapt to the Indian market**, which is one of the ones that is growing the fastest, as Zara has not been able to comprehend the needs of the clients there. in order to open its distribution centre, it should decentralise the manufacturing policies. Zara should get focus on more funding in order to **increase its sales online**. To boost sales, efforts must to be put into enhancing Zara's mobile application. Zara should on establishing a customer loyalty programme, in order build a better consumer base. Zara need to improve its online sales as well as create new models and techniques. It needs to concentrate **on avoiding any controversy** that could damage their reputation and reduce sales.

Conclusion
The Researchers have assumed that the information provided by clothing customers is transparent and accurate. However, for public and academic research, there may be restrictions on sharing of this information. Additionally, data was collected only from customers and retail outlets were not surveyed. Therefore, more accurate information can only be obtained if such surveys are requested from more customers and retailers are also included in the survey. The current study was conducted shortly after recovery from the pandemic. This scenario may change in the future.

The survey was primarily conducted to measure ZARA's customer satisfaction with respect to service quality and was confined to Mumbai City. Similar research can be conducted with a broader and more diverse audience covering different geographical locations. The results of this kind of large-scale survey are generalized and applicable across the Indian retail sector. Similarly, new formats recently launched in India such as B2B, e-commerce can be explored.

Therefore, this research paper can only be used as a reference for conducting similar studies. However, the sampling frame should be determined accordingly when future studies are conducted.

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