

A Comprehensive Study on D-Mart Services: Understanding Consumer Perceptions and Market Dynamics

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Abstract

This research delves into the multifaceted landscape of D-Mart services, aiming to provide a comprehensive understanding of consumer perceptions and the market dynamics surrounding one of India's leading retail chains. Employing a mixed-methods approach, this study combines qualitative and quantitative methodologies to analyze key aspects of D-Mart's services, consumer preferences, and the competitive retail landscape. Qualitative methods, including in-depth interviews and focus group discussions, will be employed to explore consumer sentiments, expectations, and experiences with D-Mart services. Concurrently, quantitative surveys will be conducted to statistically analyze factors such as customer satisfaction, loyalty, and the impact of pricing strategies on consumer behavior. The study aims to uncover insights into D-Mart's service strengths, areas for improvement, and its positioning within the competitive retail landscape. Additionally, it seeks to evaluate the influence of various service elements on customer loyalty, such as the shopping experience, quality assurance, and pricing strategies. The research findings are anticipated to provide actionable insights for D-Mart management, aiding in the refinement of service strategies, customer engagement initiatives, and market positioning. Furthermore, the study contributes to the broader understanding of consumer behavior and service dynamics in the retail industry, serving as a valuable reference for academics, practitioners, and industry analysts alike.

Keywords: D-Mart, Retail Services, Consumer Perceptions, Market Dynamics, Customer Satisfaction, Retail Industry, Consumer Preferences, Competitive Analysis, Shopping Experience, Brand Loyalty, Pricing Strategy, Convenience, Quality Assurance, Supply Chain Management, Market Share, Customer Engagement, Retail Innovation.

1. Introduction

D-Mart is a chain of Hypermarket and Supermarket in India started by Radha kishna Damani. As of 2020, it has 200 stores across Maharashtra, Telangana, Andhra Pradesh, Gujarat, Madhya Pradesh, Chhattisgarh, Rajasthan, National capital region, Tamil Nadu, Karnataka, Daman & Diu, Uttar Pradesh and Punjab. The company shows a good price in advancing towards expanding across India. The Supermarket chain of D-Mart stores owned and operated by Avenue Supermarts Ltd(ASL). D-Mart Logo shown in Figure 1. The company has its headquarters in Mumbai. D- Mart seeks to provide a one stop shopping experience for the entire family meeting all their daily hold. A wide selection of home utility products is offered, including food, toiletries, beauty products, garments, kitchenware, bed & bath linen, home appliances and much more. Since D-Mart first opened its doors in the Mumbai region in 2000. It has grown into a trusted and well established shopping destination in Maharashtra, Telangana, Andhra Pradesh, Gujarat, MadhyaPradesh, Chhattisgarh, Rajasthan, Tamil Nadu, Daman & Diu and Punjab [1].



Figure 1 D-Mart Logo

2. Vision

Mart offers products to satisfy the entire family 's needs. Merchandise offered at D-Mart is always at lower prices stores are designed with customer convenience in mind. D-Mart respects your intelligence by offering a wide range of choice of brand and pack sizes, couple with easy to understand communication and information. D-Mart Vision shown in Figure 2. It is our continuous endeavor to investigate identify and make available new products for the customer's everyday use and the best value than anybody else.



Figure 2 D-Mart

Abstract: This research paper considers the understanding of the customers's satisfaction towards and perceptions towards D-mart. Specifically, this research will seek to identify which factors effect on satisfaction. The purpose of this study is to find out overall satisfaction towards D-mart. Some people are satisfied about price, some people about product variety. Research was done through questionnaire and discus with some customers in college campus who are customers of D-mart. Retailers have recognized this trend and are of the view that customer satisfaction plays a role in the success of business strategies. Therefore, it has become important for grocery retail stores to try and manage customer satisfaction. This paper was thus developed to investigate the satisfaction levels of customers in D-mart. The study examined the importance of overall dimensions and specific elements of customer satisfaction towards the measurement of satisfaction levels.

3. Conceptual Framework

A consumer buying behaviour with reference with D-Mart is to checking the buying behavior of an individual consumer when he used to shop in D-Mart offers all over the household products for our daily routine in best affordable prices for every customer. Figure 3 shown in Conceptual Framework The key objectives of this project are:

- To study of availability of offers and services
- To know availability of varieties of products.
- To know about affordable price for everyone.
- To know the customer satisfaction level.
- To study of quality of products.



Figure 3 Conceptual Framework

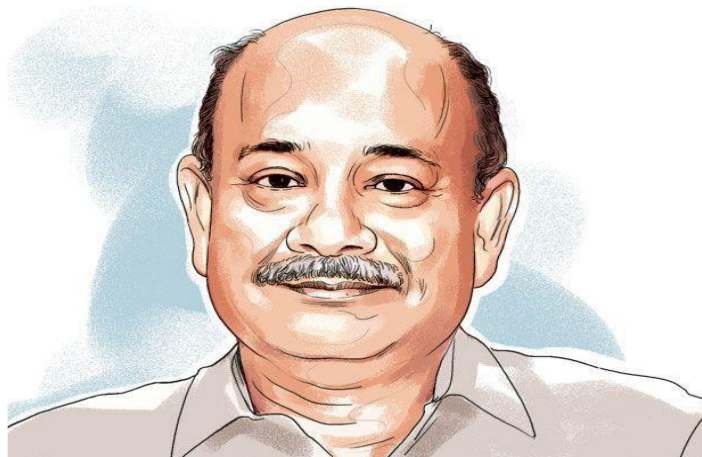


Figure 4 Radhakishan Damani the Founder of D-Mart

Figure 4 shown in D-mart & Radhakishan Damani the founder and promoter of D-Mart, famously known as Mr.White and White Radhakishan Damani is a stock market investor , Stock broker , Trader and the founder and promoter of D-Mart. His retail chain accounts for 200 stores across India. Radhakishan Damani, founder of retailer Avenue Supermarts, has become India's second-richest person with a net worth of \$17.8 billion, next only to his Altamount Road neighbour Mukesh Ambani, who heads the leader-board for the uber-rich not just in the country but in the Asian continent. Forbes' Real-Time Billionaires Index showed that after a rally of more than 5 per cent in the Avenue Supermarts shares last week. Much before D-mart happened; RK was known to be an ace investor in stock market. He has successfully earned the reputation of being one of India's finest value investors and as a matter of fact, he was a mentor to Rakesh Jhunjhunwala himself. He is someone who goes on to buy extremely cheap stocks which although hold potential but yet, nobody wants to buy and hold on to them for very long term. At 98th position on forbes list of the wealthiest, he is valued at \$ 17.9 Billion, which let me tell you, has been enabled all from absolutely almost no wealth. He is widely known for maintaining a low profile in media and literally very little is known of the man. He likes to let his work speak for itself and it indeed speaks volumes. Outside the community even in the larger business circles, few know about him. The information is so less that if you search for Damani on the internet. RK has begun his career as a trader in ball bearings with no intentions to enter the stock market. He was forced to close down that business due to past his father's death and had to join his brother in the stock broking business, which was inherited from their father. He was 32 then, he had absolutely no knowledge about the end of the world or how that market function [2-5]. So he began as a speculator at the stock market within no time he understood that watching was not the best way to make or grow capital. It took RK some time to gain a foothold and quite a few of his initial

rets thanked too. But since the time he decided not to follow the strategies of the herd he began to succeed. His strategy quite often was simple. His philosophy was long term say 5 to 10 years. He would see if the product has the potential that far in the future gradually his judgement began getting right and within the next couple of years he was standing at part with the ranks of the biggest on dalal street. He is also one of the very few who had locked horns with Harshad Mehta- the Big Bull of the stock market and had managed to eyeball him. This epic battle and success over Harshad Mehta made RK a legend at the stock market. Due to many such big bang victories, RK has evolved into the most valued investor of our units.

Over the period of time, he has transformed himself into a value investors in the stock market, where some of his investments include GE capital Transportation industries (1.43% stake) VST industries (23.97% stake) Samtel Ltd,(3.05% stake), so many ceramics (2.79% stake), Jayshree Tea(1.07% stake), 3M India(1.48% stake), and many more like these. D-Mart is owned and operated by its parent company Avenue Supermarkets Ltd(ASL); D-Mart is a chain of Hypermarket and supermarkets in India which was first started in 2000 in Mumbai by RK Damani. It is widely known to be a one stop shopping destination to meet all the household needs of a family. It offers a wide variety of products including home utility products, foods, toiletries, beauty products, garments, kitchen ware, bed and bath linen, home appliances, toys and games, stationery, footwear, etc. The merchandise offered at D-Mart stores comes at lower prices than the rest and these stores are also designed keeping customer convenience in mind. Figure 5 shows Picture in D-Mart Store



Figure 5 at D-Mart Store

The project was carried out as per the steps of, Marketing Research. The well supportive objectives were set for the study. To meet the objectives primary research was undertaken. The data collection approach adopted was experimental research & survey research. The instrument used for the data collection was observation & questionnaire. The target respondents were the visitors of D-mart, with the sample size of 100 for the study of sales management of the company. Tables and charts were used to translate responses into meaningful information to get the most out of the collection data. Based on those the inferences have been drawn with peer supportive data. The product mix is good and lot of variety is available. The D-Mart offer price and the max. Retail price both were visible on the price card. The whole area was divided as per the products that they offered like apparels, stationeries, crockery's, sanitary items, gift articles, steel items, detergents, vegetables, fruits etc. D-Mart executives credit the chain's operating model for its smooth sailing. The chain pays its suppliers within 48 hours of delivery, gaining a 1-2% advantage on cost margin over other national retailers, claimed the first company executive mentioned earlier. Stores are designed with customer convenience in mind. D-Mart respects your intelligence by offering wide choice of brand and pack sizes, couple with easy to understand communication and information. D-Mart seeks to provide one stop shopping experience for the entire family, meeting all their daily household needs [6]. A wide selection of home utility products is offered, indulging foods, toiletries, beauty products, garments, kitchenware, bed and bath linen, home appliances and much more. D-Mart vision is to make available products/categories for the customer's everyday use at the "best" value than D-mart is constantly expanding across departments to keep pace with our rapidly growing business. If you are looking for

a career is an exciting environment, with lots of potential for professional and personal growth, then join us in D-Mart. D-Mart will believe in ‘learning through opportunities’. As an equal opportunity employer, it strongly believes that ANYBODY can be a part of D-Mart. It encourages candidates from every background to bring in their best in terms of new ideas, innovative thinking and positive outlook towards work. They judge their prospective and existing employees only on the basis of their professional mettle.

4. Strategies adopted by D-mart

To begin with D-Mart wants to create an image amongst the masses of a discount store that offers most of the products from across all major brands now. Since people mostly come to D-Mart because they all what they need under one roof, D-Mart stores are operational in high traffic areas and across three formats including –Hypermarkets, that are spread across 30,000- 35,000 sq.ft , express format that is spread over 7000-10,000 sqft. And lastly the super centers, that are set up at over 1 lakh sqft. D-Mart target audience being the middle income group, it uses discount offers as a promotional tool for attracting the customers and increasing sales as well, overall D-Mart’s success is focused on three things; Customers, Vendors and Employees.

Customers: Since D-Mart is targeting middle income households, all their stores are in close to residential areas and not in malls. Their idea is not to meet every consumer need like other competitors, but instead D-Mart aspires to meet most regular consumer needs, while providing value for their money. Since 90% of these stores are owned directly by D-Mart, they don’t have to worry about monthly rentals and their relocation risk. Additionally, this is helping them build assets on their books D-Mart well capitalized and debt light while its operations generate spare cash. All the money that is saved using this strategy is eventually offered back to the customers in the form of discounts.

Vendors: Vendor relationship are the second pillar of their model, since he comes from a trader background, his vendor relationships have the biggest strength. This industry has a payment norm of 12-21 days, but D-Mart pays its vendors on the 11th day itself. This helps to stay in the good books of the vendors and avoids stock outs, since D-Mart buys in bulk and pays its vendors well in time, they also get to earn higher margins.

Employees: This is the third pillar of their model, D-Mart offers good money, flexibility, empowerment and relaxed 2 efficient work culture. They even go on to hire 10th standard dropouts with right attitude and commitment. They prefer hiring raw talent, and then invest heavily in training, to mould them as per the requirement. Employees D-Mart.



Figure 6 D-Mart Profile



Figure 7 D-Mart Details

You can view name of chairman, CEO, CFO, Management Team, Board of Directors and Key Executives of Avenue Supermarts Ltd, as in Figure 6, 7 and Table 1.

Table 1 Management

Name	Designation
Ashu Gupta	Co. Secretary & Compl. Officer
Ashu Gupta	Secretary
Chandrashekar	Independent Director
Dheeraj Kampani	Vice President
Elvin Machado	Whole Time Director
Hitesh Shah	Vice President
Ignatius Navil Noronha	Ceo
Ignatius Navil Noronha	Managing Director & Ceo
Kalpana Unadkat	Independent Director
Manjri Chandak	Non-Executive Director
Narayanan Bhaskaran	Chief Operating Officer
Niladri Deb	Chief Financial Officer
Ramakant Baheti	Whole Time Director & Group Ceo
Ramesh Damani	Chairman & Ind. Director
Udaya Bhaskar Yarlagadda	Chief Operating Officer



Figure 8 The Founder of D-Mart & The CEO of D-Mart

5. Different Duckling

Anything that doesn't fall into this meticulous process is abandoned. Private labels and top-end products bring in higher margins but saddle companies with inevitably higher inventory turnover. Offering multiple brands of the same product also leads to similar outcomes, which is why the assortment of products and variety of brands that one finds at a D-Mart store is often limited when compared to Reliance Fresh or Big Bazaar. Damani likes his stores to be more like a well-tuned assembly chain: where products are converted into sales as fast as possible. Because of this, it's able to avoid the high-stakes, perennial discount game that other retailers often get trapped in. Customers who walk into a D-Mart store understand that they are getting a no-frills approach but also know that most food items and groceries on offer will be 6% to 12% cheaper than what they will find at other stores. In some cases, certain products will be 10% below MRP. However, the company operates differently in other ways as well. While competitors head to India's rapidly-growing malls because that's where consumer spending is highest, D-Mart hasn't and doesn't ever plan on opening a store in a mall. As other retailers are experimenting with a wide range of formats and geographic locations, D-Mart sticks to what it knows best. It uses one of two formats of stores whose size is calculated based on location and shopper density. The company is also extremely reluctant to expand geographically. Until 2014, it had stores only in four Indian states. Over the last three years, it has expanded into five more states but is still conspicuously absent in the NCR region and other high consumer spending states like Tamil Nadu. Analysts point out that it follows a principle of opening 75% of its new stores in existing states or markets and plans on staying true to this in the coming years [7]. This strategy pays off for the company. In its 15 years of operations, it has never closed, moved or shut down a store, as in Figure 8.

6. Regimented business model

Much of the company's focus, as well as comparisons to Walmart, stems from Damani's decision to follow a store-ownership model. The company has spent over Rs 23 billion on acquiring land and buildings but either owns most of its stores or has them on a 30-year long-term lease. This is, in part, what has forced it to rack up debt of a little over Rs 1,000 crore; a certain amount of its IPO proceeds have been allocated towards repaying this debt. However, its ownership model crucially allows it to save on rental costs. A recent 'Yes Securities' analyst note points out that D-Mart's rental costs are only 0.2 per cent of total sales compared to 8 per cent for Biyani's Future Retail.

It may appear strange that while buzz is so strong around India's e-commerce industry and companies like Flipkart and Snapdeal, the best-performing IPO in recent corporate history is a brick-and-mortar supermarket. And yet, D-Mart's stringent focus on profitability offers lessons to both physical and online retailers, both of which have stumbled in the last few years. After burning through billions in venture capital funding and thousands of layoffs, India's e-commerce industry is finally growing up and shifting towards a focus on profitability. On similar lines, traditional brick-and-mortar retailers,

which have burnt their hands in expanding too quickly and experimenting too rapidly, are slowly taking a reality check. All this means that D-Mart's future, while bright, is not without risk. The company's success so far stems from its blinkered approach towards product categories and geographic location. As D-Mart chief Neville Noronha put it last year, the company succeeds because it does "small things repeatedly and consistently". Can it keep doing this, especially when its revenue growth in fiscal 2015 and 2016 was lower than the annual revenue growth seen in the preceding two years? As the company moves forward, its biggest competition will not only be keeping true to its business model but also staving off the threat posed by rivals that are slowly maturing and looking to take a bigger share of the retail pie.

7. Research Methodology

Since the study is on retail sector first the detail study of the store is being conducted about its Management team its structure the number of departments which all brands does the store has, who are the suppliers about its warehouse. Based on the topic objectives were set and to arrive at the opinion on objectives a set of 100 questionnaires were designed of 10 questions and response is collected from the customers who are visiting the store. For data collection Personal investigation, Filled survey, as well as Sampling method are adopted. Figure 9 Shows in D-Mart Customer.



Figure 9 Customers in D-Mart

8. Objectives of Project

Project was undertaken bearing following objective:

- To Scan the customer buying behavior.
- To comprehend the determinants of customer satisfaction.

- To study of availability of offers and services.
- To know availability of varieties of products.
- To know about affordable price for everyone.
- To know the customer satisfaction level.
- To study of quality of products.

9. Scope of Study

Since the study is on D-Mart shopping the detail study of the D-Mart is being conducted. About its customers & their behavior regarding shopping in D-Mart. Based on the topic objectives were set & to arrive at the opinion on objectives a set of 100 questionnaire were designed of 10 questions & response is collected from the customers who are Visiting the D-Mart. For data collection Random Sampling Method was adopted. Figure 10 shown in Customer with Employee in D-Mart



Figure 10 Customer with Employee in D-Mart

10. Data Collection

Any research requires two types of data i.e. primary data & secondary data. Primary data has been used abundantly for the study. Well-structured questionnaires were prepared & the survey was undertaken. Feedback for the display has been taken by asking questions & observations has also done to gather primary information. There is also a use of secondary data, collected from the various websites.

10.1 Types of Data

There are two types (sources) for the collection of data.

- Primary Data
- Secondary Data

Primary Data: The primary data are the first hand information collected, compiled and published by organization for some purpose. They are most original data in character and have not undergone any sort of statistical treatment. Example: Population census reports are primary data because these are collect, compiled and published by the population census organization.

Secondary Data: The secondary data are the second hand information which are already collected by someone (organization) for some purpose and are available for the present study. The secondary data are not pure in character and have undergone some treatment at least once. Example: Economics survey of England is secondary data because these are collected by more than one organization like Bureau of statistics, Board of Revenue, the Banks etc.

10.2 Methods of Collecting Primary Data

Primary data are collected by the following methods:

Personal Investigation: The researcher conducts the survey him/herself and collects data from it. The data collected in this way is usually accurate and reliable. This method of collecting data is only applicable in case of small research projects.

Through Investigation: Trained investigators are employed to collect the data. These investigators contact the individuals and fill in questionnaire after asking the required information. Most of the organizing implied this method.

Collection through Questionnaire: The researchers get the data from local representation or agents that are based upon their own experience. This method is quick but gives only rough estimate.

Through Telephone: The researchers get information through telephone this method is quick and give accurate information.

10.3 Methods of Collecting Secondary Data

The secondary data are collected by the following sources:

Official: e.g. The publications of the Statistical Division, Ministry of Finance, the Federal Bureau of Statics, Ministries of Food, Agriculture, Industry, Labor etc.

Semi-Official: e.g. State Bank, Railway Board, Central Cotton Committee, Boards of Economic Enquiry etc.

Publication of Trade Associations, Chambers of Commerce etc.

Technical and Trade journals and Newspapers.

Research Organizations such as Universities and other institutions.

Primary Data: Primary Data for the project was collected by preparing a questionnaire containing questions relating A consumer buying behavior with D-Mart. This questionnaire was distributed among a sample of 100 people.

11. Findings

After obtaining the responses from the questionnaire distributed among 100 customers of D- Mart store, the data obtained was analyzed and following were drawn. **Inferences from responses given by consumers:**

- Most of the customers by their requirement they choose the D-Mart store. Which it is provides qualitative products and services with reasonable price.
- D-Mart is hypermarket as it provides various kinds of goods like apparels, grocery, stationary, food items, electronic items, leather items, watches, decorative items and many more. It competes with all the specialty stores of different products which provide goods at a discounted rate all through the year.
- We never need to go for a particular store where only one item is available. D-Mart is a store where available all the products under one roof top.
- D-Mart mainly deal with middle income group people who want qualitative product with reasonable price.
- As now there are 200 stores of D-Mart in the different cities in India. It seems that there is a vast growth of D-Mart lying as customer's demand is increasing for D-Mart stores.

Conclusion

D-Mart is a major shopping complex for today's customers. D-Mart is a hypermarket as it provides various kinds of goods like home utility products, including food, toiletries, beauty products, garments, kitchenware, bed and bath linen, home appliances and much more. It is a place where customers find variety of products at a reasonable price The majority of customers belong to middle class family. The youth generation also likes shopping & moving around D- mart. As it is surveyed it seems that D-Mart is big competitors store at today's level. Traditionally, companies have relied only on differentiation of products and services to retain their customers and also to satisfy the consumers. However, times have changed, due to fierce competition from new players entering the market, imitation of new feature and increase in number of new offer, customers acquired new choices and they have also become more price sensitive, which has forced marketers to adapt differentiated and customer oriented strategies in order to enable them to stand out in the competition and gain a competitive edge. One of the fundamentally important drivers of organizational success is that enterprisers must take need and wants of their customer into account [8]. That is the reason why researcher have paid attention to the importance of customer satisfaction, loyalty and retention have



been continuously paid attention worldwide. Due to the tremendous growth of service industry in which retailing sector plays an important role, it is vital for retailers to understand the degree of importance of listening to the inner voice of customers' needs to create, increase level of satisfaction. Ultimately, effective satisfaction leads to prospective long term relationship and loyalty through repeating purchase and recommendation, which helps retailers maintain their market share and position. Consumer's needs have become sophisticated and it is imperative that grocery stores look for building long term and stable relationships with their customers as a way of driving satisfaction up since satisfaction does translate later into loyalty and retention

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