

## Emotional Intelligence and its Impact on Service Quality—An Empirical Study on Garment Retail Stores of Jammu City

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### ABSTRACT

Today, employers cannot afford to loose quality employees because of the competition. If they do, then left employee working with different company can turn-out as a threat for your company in future. Fundamental can be applicable for any sector or for any industry, but negative impact will be more on retail sector—being the last but closest element of distribution channel to the customers. The purpose of this research paper is to find out relationship between emotional intelligence and service quality delivery in retail sector. A study was designed to examine the relationship between the said two variables. Primary data was collected from both exclusive (company) and intensive showrooms dealing within readymade garments only. SPSS version 17 was used for data analysis. The empirical analysis revealed that emotional intelligence has an impact on quality of service delivery in case of retail sector in Jammu.

**Keywords:** Emotional Intelligence, Exclusive & Inclusive showrooms, Service Quality, Jammu City, Retail Industry

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### INTRODUCTION

Retailers need to understand that success of business depends upon quality of services delivered to the customers. Quality of services delivered depends on number of factors. It is not a result of single causal factor. To carry out business in efficient and effective manner, human efforts contribute the most, backed by number of factors in generating quality in service forwarded to customers. Considering the same, many marketing experts believe in carrying out a detailed study of markets and then come up with innovative ideas to market products / services to customers.

Emotional intelligence (EI) refers to the ability to perceive, control, and evaluate the emotions. EI focuses on how individual are able to manage emotions and behaviour of self and as well as of

those people around them. Some researchers suggest that emotional intelligence can be learned and strengthened, while other claim it is an inborn characteristic. Emotional intelligence is all about the management of emotions. Emotions need to be managed for achieving the desired results as it helps people to cope with frustrations, and how they get along with others. Emotional intelligence can be increased and build upon with the help of developmental programs, consistent feedback and coaching. This will help employees in enhancing their skills set in areas of leadership, customer service and sales, as well as how well they adapt to change.

In retail sector, high quality services are always emphasized as this is the last but closest level in channel of management to customers. Customers directly interact with retailers and demands quality services along with complete range of

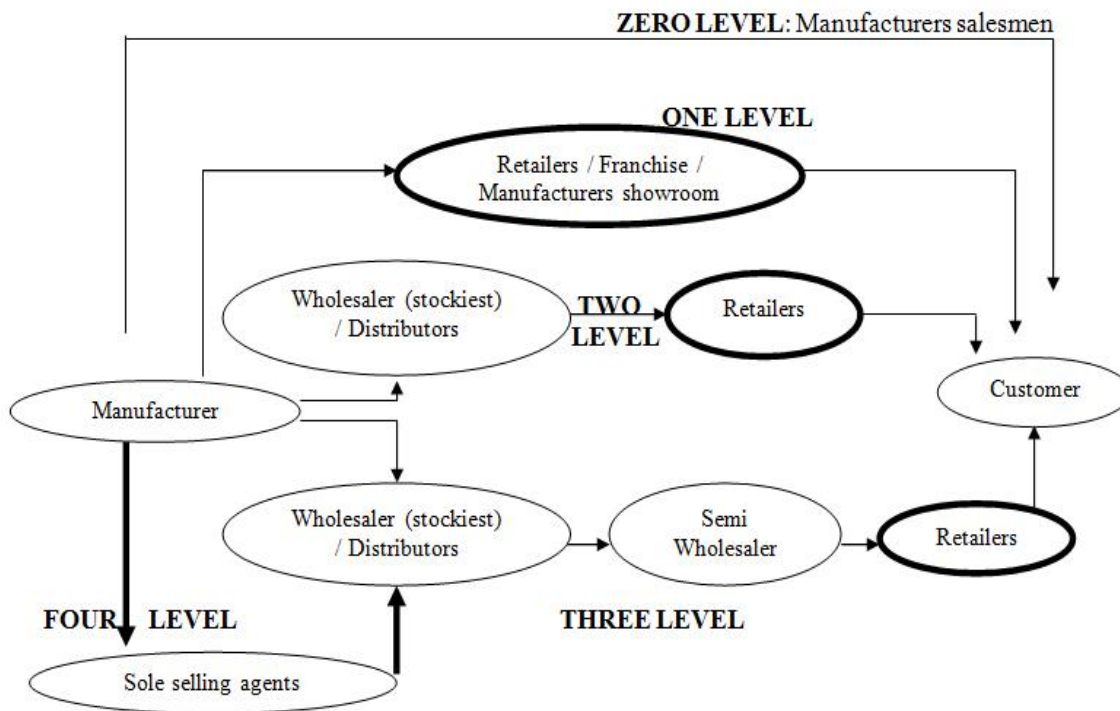
products. Many times it happens that customers do not make purchase from retail shop because they not get the quality of services as desired, creating negative word-of-mouth (WOM) leading to loss of business.

With the growth of organized sector in India, retail climate is changing dramatically, not in metros but also in many small towns. The entry of foreign retailers (e.g., Wal-Mart) and Indian corporate houses (e.g., Reliance, Airtel), the level of competition increases leading threat for survival of small retailers.

The Indian consumer is changing rapidly. The average Indian consumer today is richer, younger

and aspirational in his or her needs than ever before. Consumers now-a-days are looking for value proposition against their hard earned money. A range of modern retailers is attempting to serve the needs of the Indian consumer in a ‘New Way’. To tap this growth opportunity, Indian retail organizations need to be prepared for a quick scale up across dimensions of people, processes and technology in addition to identifying the right formats and value propositions for the Indian consumers. Considering the same, retailers of Jammu district have started paying attention to the improvement in service quality because of the intense competition. Whatever measures are taken to improve the service quality, involve emotional intelligence of shopkeeper and employees.

**Levels of channel in Consumer Market**



**Problem Statement**

The research problem is “Whether emotional intelligence impacts quality of service delivery within readymade garments retail stores of Jammu, or not?”

### Scope of Study

The scope of the study is limited to the study of readymade garments stores of Jammu district. In order to analyze impact of EI, exclusive and intensive stores have been selected.

### Significance of Study

The study is going to be a great theoretical contribution to the body of knowledge as this area has not yet been explored. It does fill a gap in the body of knowledge. The said research has lots of applied aspects. Findings may be forwarded to the companies and local association of shops (Vyapar Mandal) of Jammu for necessary implementation.

### Objectives of Study

The objectives of the research are:

- To study emotional intelligence level in exclusive (company) and intensive showrooms dealing within readymade garments only.
- To compare the service quality level in exclusive (company) and intensive showrooms dealing within readymade garments only.
- To study whether or not service quality is influenced by emotional intelligence.

### Methodology Used

Our research is exploratory research in nature as we had tried to find out impact of emotional intelligence in delivering quality services to the customers.

In this research, we had used convenient sampling and covered 50 showrooms (25 exclusive and 25 intensive showrooms) dealing within readymade garments in Jammu City. The aim of research is to study the impact of emotional intelligence in delivering quality services to the customers; and which type of showrooms lay down more emphasis on EI in effective customer service delivery.

In this study, the two variables were studied i.e. emotional intelligence and service quality. Primary data was collected from retailers through pre-designed questionnaire. Whereas, the secondary data was collected from journals, internet, books etc.

Hypothesis testing was performed by applying Rank Correlation, Chi-square.

### Research Hypothesis

#### Case-I

(H<sub>0</sub>): Emotional intelligence does not have impact quality of service delivery to customers in exclusive showrooms.

(H<sub>1</sub>): Emotional intelligence impacts quality of service delivery to customers in exclusive showrooms.

**Case-II**

(H<sub>0</sub>): Emotional intelligence does not have impact quality of service delivery to customers in intensive showrooms.

(H<sub>1</sub>): Emotional intelligence impacts quality of service delivery to customers in intensive showrooms.

**Case-III**

(H<sub>0</sub>): Emotional intelligence has a same level of impact on delivering quality service to customers, irrespective of type of showrooms (inclusive of exclusive).

(H<sub>1</sub>): Emotional intelligence level of impact is more on exclusive showrooms compared to inclusive showrooms in delivering quality service to customers.

**Data Collection Methods**

Data Collection Procedures

Based on above hypothesis, questionnaire is prepared considering different aspects related to EI and Service Quality.

Questionnaire Development

To identify the impact of all seven elements that comprises emotional intelligences on delivering service quality, a five point Likert Scale starting from strongly disagree to strongly agreed (1–5) was used in questionnaire.

**Data Analysis**

a) Reliability Test

Scale: Likert

**DT- 1: Case Processing Summary**

		N	%
Cases	Valid	28	100.0
	Excluded <sup>a</sup>	0	.0
	Total	28	100.0

**DT- 2: Reliability Statistics**

Cronbach's Alpha	N of Items
.873	25

a) Listwise deletion based on all variables in the procedure.

**Data Reliability Test:** SPSS 17.0 showed that Cronbach’s Alpha score is 0.873. This shows very high degree of reliability exists within data.

**b) Spearman’s Coefficient of Rank Correlation**

**Data Table-III**

SL. No.	Parameters	Responses of Retailers (Exclusive showrooms)	%	Ranks	Responses of retailers (Inclusive Showrooms)	%	Ranks
1	Self awareness	339	15.20	1	287	14.96	3
2	Conscientiousness	335	15.02	2	262	13.66	4
3	Emotional resilience	332	14.88	3	247	12.88	6
4	Motivation	315	14.13	5	249	12.98	5
5	Interpersonal sensitivity	284	12.74	7	227	11.84	7
6	Influence	316	14.17	4	308	16.06	2
7	Intuitiveness	309	13.86	6	338	17.62	1
	Total	2230			1918		

**CALCULATION OF RANK CORRELATION COEFFICIENT**

**Data Table-IV**

SL. No.	Parameters	R <sub>1</sub> = Rank In Process I (Exclusive showrooms)	R <sub>2</sub> = Rank In Process II (Inclusive Showrooms)	D = R <sub>1</sub> - R <sub>2</sub>	D <sup>2</sup>
1	Self awareness	1	3	-2	4
2	Conscientiousness	2	4	-2	4
3	Emotional resilience	3	6	-3	9
4	Motivation	5	5	0	0
5	Interpersonal sensitivity	7	7	0	0
6	Influence	4	2	2	4
7	Intuitiveness	6	1	5	25
N=7				$\sum D = 0$	$\sum D^2 = 46$

Note: Ranks are in numbers; higher the percentage against a particular parameter, higher the rank awarded to it.

$$R = 1 - \frac{6 \sum D^2}{N(N^2 - 1)}$$

$$R = 1 - \frac{6 \sum 46}{7(7^2 - 1)}$$

$$R = 1 - \frac{276}{336}$$

$$R = 1 - 0.82 = 0.18$$

Analysis shows, a low degree of positive correlation exists between responses of the retailers in exclusive and inclusive type of showrooms.

**c) Hypothesis Testing (Chi Square Test)**

**Case – I: Exclusive Showrooms**

(H<sub>0</sub>): Emotional intelligence does not have impact quality of service delivery to customers in exclusive showrooms.

(H<sub>1</sub>): Emotional intelligence impacts quality of service delivery to customers in exclusive showrooms.

**Exclusive Showrooms**

**Data Table–V**

Observed Frequencies	Strongly Disagree 1	Disagree 2	Neither agree nor Disagree 3	Agree 4	Strongly Agree 5	Total
Self awareness	19	21	24	26	10	100
Conscientiousness	19	27	34	13	7	100
Emotional resilience	25	28	24	21	2	100
Motivation	29	15	38	14	4	100
Interpersonal sensitivity	29	28	32	9	2	100
Influence	11	20	29	30	10	100
Intuitiveness	5	19	32	21	23	100
Total	73	119	208	205	95	700

Decide upon level of significance and degree of freedom

$$\text{Degree of Freedom (d.f.)}_{0.05} = (N-1)(K-1) = (7-1)(5-1) = 24$$

Determine critical value and compare with calculated ( $\chi^2$ ) value

Tabulated (critical) value of  $\chi^2$  for 24 d.f. at 1% level of significance is 42.980

Tabulated (critical) value of  $\chi^2$  for 24 d.f. at 5% level of significance is 36.415

**Data Table–VI**

Expected Frequencies	Strongly Disagree 1	Disagree 2	Neither agree nor Disagree 3	Agree 4	Strongly Agree 5	Total
Self awareness	10.4	17.0	29.7	29.3	13.6	100
Conscientiousness	10.4	17.0	29.7	29.3	13.6	100
Emotional resilience	10.4	17.0	29.7	29.3	13.6	100
Motivation	10.4	17.0	29.7	29.3	13.6	100
Interpersonal sensitivity	10.4	17.0	29.7	29.3	13.6	100
Influence	10.4	17.0	29.7	29.3	13.6	100
Intuitiveness	10.4	17.0	29.7	29.3	13.6	100
Total	73	119	208	205	95	700

Calculation of ( $\chi^2$ ) by using the formula

$$(\chi^2) = \sum_{i=1}^N \sum_{j=1}^k \frac{(O_{ij} - E_{ij})^2}{E_{ij}}$$

Computation of Test Static ( $\chi^2$ )

Responses	Fo	Fe	Fo-Fe	(Fo-Fe) <sup>2</sup>	(Fo-Fe) <sup>2</sup> / Fe
aA	8	10.4	-2.43	5.90	0.57
aB	16	17.0	-1.00	1.00	0.06
aC	24	29.7	-5.71	32.65	1.10
aD	33	29.3	3.71	13.80	0.47
aE	19	13.6	5.43	29.47	2.17
bA	8	10.4	-2.43	5.90	0.57
bB	18	17.0	1.00	1.00	0.06
bC	28	29.7	-1.71	2.94	0.10
bD	23	29.3	-6.29	39.51	1.35
bE	23	13.6	9.43	88.90	6.55
cA	8	10.4	-2.43	5.90	0.57
cB	18	17.0	1.00	1.00	0.06
cC	23	29.7	-6.71	45.08	1.52
cD	36	29.3	6.71	45.08	1.54
cE	15	13.6	1.43	2.04	0.15
dA	11	10.4	0.57	0.33	0.03
dB	13	17.0	-4.00	16.00	0.94
dC	37	29.7	7.29	53.08	1.79

dD	28	29.3	-1.29	1.65	0.06
dE	11	13.6	-2.57	6.61	0.49
eA	17	10.4	6.57	43.18	4.14
eB	18	17.0	1.00	1.00	0.06
eC	33	29.7	3.29	10.80	0.36
eD	28	29.3	-1.29	1.65	0.06
eE	4	13.6	-9.57	91.61	6.75
fA	10	10.4	-0.43	0.18	0.02
fB	18	17.0	1.00	1.00	0.06
fC	31	29.7	1.29	1.65	0.06
fD	28	29.3	-1.29	1.65	0.06
fE	13	13.6	-0.57	0.33	0.02
gA	11	10.4	0.57	0.33	0.03
gB	18	17.0	1.00	1.00	0.06
gC	32	29.7	2.29	5.22	0.18
gD	29	29.3	-0.29	0.08	0.00
gE	10	13.6	-3.57	12.76	0.94
					32.91

Deduce business research conclusions

Since the calculated value of  $\chi^2$  is less than the tabulated value at 5% and 1% level of significance, so we accept the null hypothesis. Hence, we conclude that the factor 'EI does not impacts delivery of quality service within exclusive showrooms.

Case-II: Inclusive Showrooms

(H<sub>0</sub>): Emotional intelligence does not have impact quality of service delivery to customers in inclusive showrooms.  
 (H<sub>1</sub>): Emotional intelligence impacts quality of service delivery to customers in inclusive showrooms.

Inclusive Showrooms

Data Table-VII

Observed Frequencies	Strongly Disagree 1	Disagree 2	Neither agree nor Disagree 3	Agree 4	Strongly Agree 5	Total
Self awareness	19	21	24	26	10	100
Conscientiousness	19	27	34	13	7	100
Emotional resilience	25	28	24	21	2	100
Motivation	29	15	38	14	4	100
Interpersonal sensitivity	29	28	32	9	2	100
Influence	11	20	29	30	10	100
Intuitiveness	5	19	32	21	23	100
Total	137	158	213	134	58	700



**Data Table–VIII**

Expected Frequencies	Strongly Disagree 1	Disagree 2	Neither agree nor Disagree 3	Agree 4	Strongly Agree 5	Total
Self awareness	19.6	22.6	30.4	19.1	8.3	100
Conscientiousness	19.6	22.6	30.4	19.1	8.3	100
Emotional resilience	19.6	22.6	30.4	19.1	8.3	100
Motivation	19.6	22.6	30.4	19.1	8.3	100
Interpersonal sensitivity	19.6	22.6	30.4	19.1	8.3	100
Influence	19.6	22.6	30.4	19.1	8.3	100
Intuitiveness	19.6	22.6	30.4	19.1	8.3	100
Total	73	119	208	205	95	700

Calculation of ( $\chi^2$ ) by using the formula

$$(\chi^2) = \sum_{i=1}^n \sum_{j=1}^k \frac{(O_{ij} - E_{ij})^2}{E_{ij}}$$

Computation of Test Static ( $\chi^2$ )

Responses	Fo	Fe	Fo-Fe	(Fo-Fe) <sup>2</sup>	(Fo-Fe) <sup>2</sup> / Fe
aA	19	19.6	-0.60	0.36	0.02
aB	21	22.6	-1.60	2.56	0.11
aC	24	30.4	-6.40	40.96	1.35
aD	26	19.1	6.90	47.61	2.49
aE	10	8.3	1.70	2.89	0.35
bA	19	19.6	-0.60	0.36	0.02
bB	27	22.6	4.40	19.36	0.86
bC	34	30.4	3.60	12.96	0.43
bD	13	19.1	-6.10	37.21	1.95
bE	7	8.3	-1.30	1.69	0.20
cA	25	19.6	5.40	29.16	1.49
cB	28	22.6	5.40	29.16	1.29
cC	24	30.4	-6.40	40.96	1.35

cD	21	19.1	1.90	3.61	0.19
cE	2	8.3	-6.30	39.69	4.78
dA	29	19.6	9.40	88.36	4.51
dB	15	22.6	-7.60	57.76	2.56
dC	38	30.4	7.60	57.76	1.90
dD	14	19.1	-5.10	26.01	1.36
dE	4	8.3	-4.30	18.49	2.23
eA	29	19.6	9.40	88.36	4.51
eB	28	22.6	5.40	29.16	1.29
eC	32	30.4	1.60	2.56	0.08
eD	9	19.1	-10.10	102.01	5.34
eE	2	8.3	-6.30	39.69	4.78
fA	11	19.6	-8.60	73.96	3.77
fB	20	22.6	-2.60	6.76	0.30
fC	29	30.4	-1.40	1.96	0.06
fD	30	19.1	10.90	118.81	6.22
fE	10	8.3	1.70	2.89	0.35
gA	5	19.6	-14.60	213.16	10.88
gB	19	22.6	-3.60	12.96	0.57
gC	32	30.4	1.60	2.56	0.08
gD	21	19.1	1.90	3.61	0.19
gE	23	8.3	14.70	216.09	26.03
					93.89

Decide upon level of significance and degree of freedom

Degree of Freedom (d.f.)<sub>0.05</sub>=(N-1) (K-1)=(7-1)  
(5-1)=24

Determine critical value and compare with calculated ( $\chi^2$ ) value

Tabulated (critical) value of  $\chi^2$  for 24 d.f. at 1% level of significance is 42.980

Tabulated (critical) value of  $\chi^2$  for 24 d.f. at 5% level of significance is 36.415

Deduce business research conclusions

Since the calculated value of  $\chi^2$  is more than the tabulated value at 5% and 1% level of significance, so we reject the null hypothesis. Hence, we conclude that the factor 'EI impacts delivery of quality service within inclusive showrooms.

#### **D) Calculation of 't' test**

CALCULATION OF T-VALUE TO TEST THE IMPACT OF EMOTIONAL INTELLIGENCE ON DELIVERING QUALITY SERVICES TO THE CUSTOMERS IN BOTH TYPE OF SHOWROOMS)

**Step1 & 2: Formulation of hypothesis**

(H<sub>0</sub>): Emotional Intelligence does not impacts quality of services delivery to customers, irrespective of type of showrooms.

(H<sub>1</sub>): Emotional Intelligence impacts quality of service delivery to customers, irrespective of type of showrooms.

**Step3: Computing the pooled estimate of  $\sigma^2$**

**Data Table–IX**

Computation of Mean and Standard Deviation of retailer’s responses in exclusive and intensive showrooms.						
Different elements of emotional intelligence.	Exclusive Showrooms			Intensive Showrooms		
	X	X- $\bar{X}$	(X- $\bar{X}$ ) <sup>2</sup>	X	X- $\bar{X}$	(X- $\bar{X}$ ) <sup>2</sup>
Self awareness	339	20.4	416.2	287	13	169
Conscientiousness	335	16.4	269.0	262	-12	144
Emotional resilience	332	13.4	179.6	247	-27	729
Motivation	315	-3.6	13.0	249	-25	625
Interpersonal sensitivity	284	-34.6	1197.2	227	-47	2209
Influence	316	-2.6	6.8	308	34	1156
Intuitiveness	309	-9.6	92.2	338	64	4096
N=7	$\sum X=2230$		2173.7	$\sum X=1918$		9128
	$\bar{x}_1 = \frac{2230}{7} = 318.6$			$\bar{x}_2 = \frac{1918}{7} = 274$		
Calculation of Standard Deviation	$s_1 = \sqrt{\frac{318.6}{7}} = 45.51$			$s_2 = \sqrt{\frac{274}{7}} = 39.14$		
Computing the pooled estimate of $\sigma^2$	$s_p^2 = \frac{(7-1)45.51^2 + (7-1)39.14^2}{7 + 7 - 2}$ $s_p^2 = \frac{12427.0 + 9191.6}{12}$ $S_p^2 = \frac{21618.6}{12} = 1801.55$					
	$s_p^2 = \frac{(n_1-1)s_1^2 + (n_2-1)s_2^2}{n_1 + n_2 - 2}$					

	$S_p = \sqrt{1801.55} = 42.44$
<p>Computing the standard error</p> $\sigma_{\bar{x}_1 - \bar{x}_2} = s_p \sqrt{\frac{1}{n_1} + \frac{1}{n_2}}$	$\sigma_{\bar{x}_1 - \bar{x}_2} = 42.4 \sqrt{\frac{1}{7} + \frac{1}{7}}$ $\sigma_{\bar{x}_1 - \bar{x}_2} = 42.4 \sqrt{0.142 + 0.142}$ $\sigma_{\bar{x}_1 - \bar{x}_2} = 22.66$
<p>Computation of Test Statistic</p> $t = \frac{(\bar{x}_1 - \bar{x}_2) - (\mu_1 - \mu_2)}{\sigma_{\bar{x}_1 - \bar{x}_2}} H_0$	$t = \frac{(318.6 - 274) - (0 - 0)}{22.66} H_0$ $t = 1.97$ <p>Where <math>\mu_1 = 0</math> and <math>\mu_2 = 0</math> (<math>\mu</math> stands for population mean and if not known than it is taken as 'Zero').</p>
<p>Tabulated (critical) value of 't' for 12 d.f. at 5% level of significance is 1.782</p> <p><u>Deduce business research conclusions.</u></p> <p>Since the calculated value of 't' is more than the tabulated value at 5% level of significance, so we reject the null hypothesis. Hence, we conclude that impacts quality of service delivery to customers, irrespective of type of showrooms.</p>	

## CONCLUSIONS

From the above analysis, we conclude that though there is no impact of emotional intelligence within exclusive readymade garments, but it has a major impact on inclusive type of stores. Above all, research findings have also indicated that emotional intelligence plays an important role in retail sector and strongly impacts quality of service delivery. Whenever the staffs practice the

skills of emotional intelligence, it enhances service quality.

In case of exclusive readymade garments shop, impact of emotional intelligence is weak in delivering quality of service to customers. It means that both the variables i.e. emotional intelligence and service quality are weakly associated. Hence we can say that there is an absence of practice of emotional intelligence skills by the employees when delivering services

to the customers. Reverse stands true for inclusive type of retail stores.

## RECOMMENDATIONS

Though we had identified that EI impacts the delivery of quality services to customers, but need arises to carry out a deep research to check its impact on customer retention in long run.

- 1) The above findings can be used by organised retail players in making retail strategies to effectively cater “KINGS of MARKETS” with quality of services—Consistently, as EI plays significant role in imparting improved quality services to customers.
- 2) Retailers need to assess employee level of satisfaction with current working environment.
- 3) Retailers must assess the customer satisfaction level with respect to quality of service delivery. Retailers can identify those employees who lack social and emotional intelligence and must impart training for achieving shop objectives.
- 4) Retailers can identify those employees who use emotional intelligence in taking day to day activities, and try to keep them always motivated through different type of compensation plans. Because such type of employees know how to get business out of customers – intelligently.

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