

## THE INFLUENTIAL FACTORS OF CUSTOMER'S SATISFACTION OF SUPERSTORES IN BANGLADESH: A STUDY ON BCL SUPERSTORE, BOGURA, BANGLADESH

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### **ABSTRACT**

*In Bangladesh people are going to superstores at a large number now-a-days, so superstore owners should focus on the continuous improvement of the superstores. The present study focuses on the factors which determines customer satisfaction of superstores in Bangladesh. Customer satisfaction is one of the indicators by which it can be found that why customers are going to superstores rather than the local shops. For the study customers of BCL superstore, Bogura were interviewed. From the results, it was found that the model used in this study explains four factors should be focused by the owner and manager of the superstore where customer satisfaction was considered as dependent variable. This study reveals that product quality and responsiveness are the most important factors of customer's satisfaction.*

**KEYWORDS:** *Bogura, Bangladesh, Customer Satisfaction, Product Quality, Regression Analysis, Superstore*

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### **Article History**

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### **INTRODUCTION**

Superstores are very large supermarkets or retail stores selling household goods and equipment. Super Store is a new concept in Bangladesh. Super Store in Bangladesh has been growing immensely year by year. Customers are becoming more comfortable in superstores for their regular shopping. Although pricing of products are high in superstores, there are some other factors which have positive impacts on customer's satisfaction.

In Bangladesh different types of study were found regarding service quality and customer's satisfaction. In 2011 different studies were found on banking services by Rahman et. al., Siddiqi, Khondaker and Mir. Some studies were found in 2009 and 2012 on Telecommunications by Akbar and Parvez, Uddin and Akhter, Rahman. Some other studies were found on Beauty Saloon published by Khan and Tabassum in 2010, in 2012 on Tourism by Hossain, in 2011 on Healthcare by Hasin et. al. A study was found on customer satisfaction of superstores in 2012 studied by Kashem which was confined to only a city named Chittagong.

Moreover here in bogura there is a little study on customer satisfaction of superstores. BCL Superstore is one of the biggest superstores in bogura. There is no formal documentation about the customer satisfaction of this superstore. Other superstores like Touch & Take, Senseberry etc are also present in bogura. So, in order to provide the best services BCL Superstore has to concentrate on customer's satisfaction. This study will help BCL Superstore to recognize the influential factors of customers satisfaction.

### Objective of the Study

The main objectives of this research are

- To observe the main factors which control customer's satisfaction of BCL Super store.
- To determine the factors which are liable for customer's dissatisfaction and how to overcome it?
- To find out the way how BCL Superstore can be a standard superstore by improving the level of customer's satisfaction?

### LITERATURE REVIEW

Few papers have been found regarding superstore in Bangladesh. In our country, there is a little study about customer satisfaction of superstores. In 2012 a study was found by Md. Abul Kashem which was confined to only the customers of Chittagong.

In 2003 a study was found by Noel and Donald in which he found the influential factors of customer satisfaction and future consumer behavior of a Japanese supermarket in Hong Kong and it was based on service quality. They concluded five service dimensions- personal interface, credibility, physical aspect, strategy and consistency. From these factors, two are considered as the most influential factors, personal interface and physical aspect.

Seiranevoda (2011) has conducted study about the influential factors of the consumer in choosing departmental store in Bangladesh where he identified the factors influencing consumers to buy at Superstore in Bangladesh in specific five probable factors. The influential five factors are- Brand Image, Pick out value, Professed excellence, Product accessibility and Position of the store.

In other study, in 2010, Palto R Datta found that retaining customer has received considerable attention and has become a prime issue for food retail organizations desiring to continue business, increase pace, maximize profits and/or build and carry on competitive advantage in the food sector in his research study on "An Examination into Customer Relationship Marketing and Customer Retention in Grocery Food Retailing in Bangladesh". The general purpose of this research study is to identify, describe and analyze factors that have impact on customer retention in the Bangladesh food retailing context. It was found that the longer customers are retained by an organization, the more benefits it is likely to accrue from a sustained income stream. This research intends to examine customer retention in the context of relationship marketing, and giving particular attention to the antecedents of customer relationships in food retailing and to find out how retailer relationships with customers lead to customer retention.

To focus on customer satisfaction, In 2011a study by Dr. S. Jeevananda suggested that to gain high levels of customer satisfaction is very significant to a business because satisfied customers are most likely to be devoted and they make orders repeatedly and they use a wide range of services offered by the business. Customer satisfaction acts as an asset so it should be observed and supervised just like any other physical asset.

In a study it was found that for a successful and profitable business customer satisfaction and loyalty are main determinants. And business growth can never be cherished without customer satisfaction and loyalty. (Reichheld, 2003)

T. Reardon, who is a professor at Michigan State University in the department of Agricultural, Food and Resource Economics described that retailing business in Bangladesh is part of a fourth wave which has appeared in the last few years published in 2009.

M. Ram found five factors which are necessary for retail customer satisfaction. Those factors are customer service, brand diversity, store surroundings, suitable location and shopping expediency which was published in 2013.

P. H. L. Ian. found in a study in 2011 that retail customer satisfaction depends on place, merchandise excellence, consistency, and procedure and personnel services.

M. Manish in 2012 published an article on customer satisfaction of the customers in Delhi, the following variables were identified as the most influential factors of customer satisfaction in retail outlets. The variables are staff connections, physical aspects, promotional movement, value, site and product superiority.

P. Kotler stated in his book that how much customer satisfaction is necessary can be explained in this way that a customer who is highly satisfied: stays loyal longer, again buys products when retailer brings new products and upgrades existing brands, talks favorably about the retailer and its commodities, pays less attention to competing brands and publicity and is less sensitive to price, offers products/service ideas to the retailer and costs less to serve than new customers.

In 2006 a study by Marx and Erasmus found that customers are mainly satisfied with product-related and place-related traits while they are not satisfied with procedure related and workforce-related aspects.

In 2007 a study by Nhat and Hau identified that quality of services of super markets composes of four factors namely service staffs, physical aspects, strategy and consistency. Among these, service staff has the strongest impact and physical aspects has the weakest impact, While it is not confirmed the role of consistency by the data.

In 2011 a study by Krishnamurthy and Sivashanmugham concluded five factors regarding customer satisfaction namely customer orientation, accurateness, accountability, clearness, and multiplicity.

In 2007 a study by Maruyama et al also found strong growth, but stated that decreasing the prices is a serious challenge for the superstore and increasing their location convenience. These two are the key factors of customers satisfaction in Africa and Asia.

### **Hypothesis of the Study**

H0: There is no impact of quality of product, value of product, purchase experience, first use experience, uses experience, after purchase service on customer satisfaction of BCL Superstore.

### **Research Methodologies**

Research is a systematic process of finding solutions to problems. Basically, it is a systematic method of gathering knowledge. The questions of the questionnaire were customized for self-administered survey purpose. Also, the design of the words and meaning of the questionnaire was carefully done.

- Sampling design and method: For the purpose of the study, purposive sampling method was used to collect data from respondents. The researcher personally contacted 50 customers of BCL superstore at times they were purchasing from BCL superstore. For collection of data from respondents, the researcher went to the store for 10

days. The researcher stayed there from 4 PM to 7 PM and provided the customers a well-designed questionnaire in order to collect data from respondents.

- Sampling size: Although there were so many customers visited to BCL superstore during the 10 day's period, the researcher collected data from only 50 customers. Because some customers were busy, some were not interested to provide answers and so on.
- Collection of Data: Mainly, primary data was used to conduct this research study. The primary data was conducted through structured questionnaire.
- Data Analysis: After the collection of data the researcher turns to the task of analyzing them. The researcher used SPSS version 20 to analyze the collected data. Descriptive statistics and hypothesis test was used to conduct the study. Hypothesis test was conducted by using regression analysis and ANOVA.

## Data Analysis

### Reliability of Data

The measurement of exactness of the desired data is called reliability. Cronbach's alpha is used to check the reliability of data. Reliability value of an study should be more than 0.7. The overall score in all the variables is 0.841, which indicates that our data is highly reliable for further test. Following table shows the reliability test value of this study:

**Table 1: Reliability Statistics**

Cronbach's Alpha	No of Items
.841	7

Source: Data collected through questionnaire

### Item Statistics Analysis

**Table 2: Descriptive Statistics**

	Mean	Std. Deviation	N
Overall Satisfaction	4.10	.735	50
Quality of Product	4.20	.728	50
Value of Product	3.32	.794	50
Purchase Experience	4.00	.700	50
First Use Experience	4.10	.678	50
Uses Experience	3.90	.707	50
After Purchase Service	3.52	.735	50

Source: Data collected through questionnaire

The questionnaire was designed with a 5-point Likert scale from strongly disagree to strongly agree, where point 1-strongly disagree, 2-Disagree, 3-Neutral, 4-Agree and 5-strongly agree. The above table shows that only one variable having a mean value of greater than four (Agree). The result findings shown the mean value of 4.10 (4- agree) with negligible standard deviation suggest that customers are almost satisfied with the products and services of BCL Superstore. If we analyze individually, we may conclude that customers are satisfied with the quality of product provided by BCL Superstore, purchase experience and first use experience because the mean value in these case were greater than four. In case of uses experience, they are almost satisfied but they are neutral in the cases of value of product and after purchase services.

**Regression Analysis**

**Table 3: Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	DF1	DF2	Sig. F Change
1	.879 <sup>a</sup>	.772	.740	.375	.772	24.242	6	43	.000

a. Predictors: (Constant), Quality of Product, Value of Product, Purchase Experience, First Use Experience, Uses Experience, After Purchase Service

Source: Data collected through questionnaire.

The result findings shown that the value of R is 879 signifies that there is a strongly significant positive correlation between independent and dependent variable. We may conclude that the null hypothesis of our study is rejected with 0.05 level of significance. All the independent variables i.e quality of product, value of product, purchase experience, first use experience, uses experience, after purchase service have a great influence on the satisfaction among the customers of BCL Superstore. The value of R square is 0.772 which reveals that 77.2% data were around the mean value. The R square value explains that our model is good fitted with our data analyzed.

**ANOVA Analysis**

**Table 4: Anova<sup>a</sup>**

	Model	Sum of Squares	DF	Mean Square	F	Sig.
1	Regression	20.453	6	3.409	24.242	.000 <sup>b</sup>
	Residual	6.047	43	.141		
	Total	26.500	49			

a. Dependent variable: Customers satisfaction

b. Predictors: (Constant), Quality of Product, Value of Product, Purchase Experience, First Use Experience, Uses Experience, After Purchase Service

Source: Data collected through questionnaire.

The value of F test is 24.242 which is statistically significant at  $\alpha .000_b$ . This shows that the goodness of fit of the model explained the variations in our analysis. Thus, we may conclude that the null hypothesis is rejected and alternative hypothesis is accepted. All the factors perceiving as independent variables in our study are found highly significant predictors of customer's satisfaction of BCL superstore.

**Major Findings**

- All the variables i.e. Quality of Product, Value of Product, Experience of Purchase, First Use Experience, Uses Experience, After Purchase Service have a powerfully major effect on satisfaction of the customers of BCL Superstore;
- Customers of BCL superstore were almost with all aspect of the store;
- Majority of the customers of the store were neutral about their perception on the value charged on the products provided by BCL superstore. The result findings shown that they were confused in this case
- Customers of BCL Superstore were satisfied about the quality of product provided by the store, purchase experience, first use experience and uses experience of the products of this store;
- The result findings of after purchase service shown that majority of the customers were neutral. That means they did not need any after purchase service because the store sold quality products to its customers.

## RECOMMENDATIONS

From this study it is suggested that BCL superstore should revise their pricing policies. In our questionnaire we also asked the respondents to give some suggestions about BCL Superstore.

We have summarized these suggestions for the superstore which are given below:

- BCL superstore should focus on their pricing strategies. As superstores are increasing day by day at Bogura city, so in order to retain the customers BCL superstore can revise their pricing policy.
- Quick responses to customers is suggested
- To keep the environment clean and safe
- On the basis of the theme ‘more outlets more customer’, the superstore can open more outlets in the city.
- If the customers lifestyle and taste can be changed by the superstore, it is assumed that the sales will be increased.
- Effective supply chain management can be introduced by the company to make products available in time and a good networking system must be developed to get the products from direct source to ensure low cost. Store image and position can be increased by consolidating the backward linkages and ensuring the identification of the farmers who really grow the products.
- Promising intensive customer service and a variety of products collection should be assured to retain the customers.
- E-commerce website can be launched to enhance customer satisfaction. Customers will be motivated to place online orders and get their home delivery of expected products. This step will bring the customers more closer.
- The superstore can provide its own discount card which will provide the old customers with big discounts.

## Obstacles of the Study

- The main hindrance of the study is that the sample size is in a small amount. Random customers were selected to collect the data, so no concrete list of customers is available.
- Insufficiency of money for conducting the research
- No study was found on BCL superstore. So theoretical arguments are not up to the mark because of scarcity of previous research findings.
- Some respondents were busy so it might have affected their response to the questions.

## CONCLUSIONS

Customer satisfaction reflects how much the customers like the business services. Highly satisfied customers with pleasurable experiences are considered as the strong predictors of customer withholding, customer loyalty, and product repurchase.

Customer’s satisfaction cannot be given a boundary. Level of satisfaction differs from one person to another, as no two human beings are identical. But in order to determine the overall level of satisfaction of customers some common

factors are considered. Customers satisfaction represents customers positive attitude towards the superstore. When a customer is satisfied with the superstore, he or she will come back to that superstore for shopping. Customers satisfaction of superstores can be high or low. Customer satisfaction depends on different aspects such as age, gender, education level, income and expenditure, number of monthly visits to superstores, availability of (almost) all necessary products and price of the products etc. If customers are not coming back to the store it means that the service of the superstores are not good.

From this study it was found that customers of BCL superstore are satisfied with the quality of the products. But BCL superstore has to work on its pricing policies in order to retain its customers.

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