

CUSTOMER SATISFACTION: A STUDY OF SUPERMARKETS IN NEPAL

A Dissertation Submitted to the Office of the Dean, Faculty of Management in partial fulfillment
of the requirements for the Master of Business Studies (MBS)

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CERTIFICATE OF AUTHORSHIP

I hereby declare that this submission of "**Customer Satisfaction: A Study of Supermarkets in Nepal**" is my own work and to the best of my knowledge and belief, it contains no material previously published or written by another person nor material which to a substantial extent has been accepted for the award of any other degree of a University or other institution of higher learning, except where due acknowledgement is made in the acknowledgements.

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REPORT OF RESEARCH COMMITTEE

Mr. Nabin Prasad Mainali has defended research proposal entitled “**Customer Satisfaction: A Study of Supermarkets in Nepal**” successfully. The research committee has registered the dissertation for further progress. It is recommended to carry out the work as per suggestions and guidance of supervisor Dr. Binita Manandhar. Submit the dissertation for evaluation and viva-voce examination.

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APPROVAL SHEET

We, the undersigned, have examined the dissertation entitled “**Customer Satisfaction: A Study of Supermarkets in Nepal**” presented by Nabin Prasad Mainali a candidate for the degree of Master of Business Studies (MBS Semester) and conducted the viva voce examination of the candidate. We hereby certify that the dissertation is worthy of acceptance.

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Nabin Prasad Mainali

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ABBREVIATIONS

A	:	Agree
CI	:	Customer Interaction
CO	:	Convenience
CS	:	Customer Satisfaction
D	:	Disagree
E	:	Error term
EPS	:	Extended Problem-Solving Behavior
F	:	Frequency
HL	:	Higher Level
i.e.	:	That is
LL	:	Lower Level
LPS	:	Limited Problem-Solving Behavior
MBA	;	Masters of Business Administration
N	:	Neutral
PA	:	Physical Appearance
PD	:	Product Development
PRI	:	Price
PRO	:	Product
SA	:	Strongly Agree
SD	:	Strongly Disagree
SE	:	Service
SPSS	:	Statistical Package for the Social Sciences
Std. Dev.	:	Standard Deviation
WAM	:	Weighted Average Mean

ABSTRACT

The research entitled “Customer Satisfaction: A Study of Supermarkets in Nepal” is carried out to study the various attributes of supermarket and their impact on customer satisfaction. This research will also classify the feature into different class according to their influence on customer satisfaction, based on which supermarkets can take the customer related decision.

Supermarkets are in fierce competition with one another. They need to be able to draw in and keep consumers if they want to increase earnings and stay competitive. Shop qualities have a big impact on the choice, satisfaction, and purchasing decisions made by customers. Consequently, it is vitally crucial for supermarkets to have a comprehensive grasp of the retail qualities that draw customers. As a result, a large range of shop characteristics and their significance have been determined. Although qualities are crucial in determining customer happiness, the link between attributes and satisfaction is not linear, and not all store features have the same impact on customer satisfaction. This study will shed light on the significance of each element and assist in categorizing the qualities according to their relevance to the needs of the target market and priorities.

Literature review served as the foundation for the theoretical framework. Product, price, customer engagement, convenience, service, and in-person interaction are the dependent factors. Data for the descriptive analytical study were gathered via questionnaires, and SPSS was utilized for data analysis. The attribute was prioritized by the research based on needs and the recommendation that the expenditure be made.

The supermarket's patrons are the study's respondents. In order to understand how customers perceive shopping aspects and how they affect their satisfaction in Nepalese supermarkets, the opinions of 300 respondents were evaluated. Step-wise regression and Kendall's tau-b, two non-parametric tests, were used to examine the association between shopping variables and customer satisfaction in Nepalese supermarkets. Descriptive research has been done in order to get information about various factors. The study focused on the primary data analysis, which involved distributing a questionnaire online. For the study, 300 samples are taken based on the population.

The study shows that price, product and customer interaction have positive effect on customer satisfaction. Likewise, convenience, physical appearance and service have positive impact on customer satisfaction. The study also reveals that service and convenience have a significant and positive impact on the customer satisfaction.

The study concludes that better price and visibility of the product influence the customers in Nepalese supermarkets. Similarly, the study also concludes that the most influencing factor for customer is personal interaction of the employee with the customers and the convenient that the customers feel in the supermarket in order to find the products in the supermarket.

Keywords: Price, Product, Customer Interaction, Convenience, Physical Appearance Service, Customer Satisfaction

CHAPTER 1

INTRODUCTION

1.1 Background of the study

In today's business world, customer satisfaction is crucial for a company's performance. Because of the fierce competition in all product categories, businesses find it increasingly challenging to keep customers loyal for extended periods. Customer satisfaction greatly impacts a company's marketing strategy. Firms continue to grow and succeed by satisfying their customers. The sole requirement for the business owner to accomplish this is to "Maintain customer happiness."

Eggert and Ulaga (2002) observed a resurgence in interest in the value concept from marketing researchers and practitioners in recent years. Despite a growing body of research, the relationship between value and other marketing concepts is still not well understood. Researchers have urged for an investigation into the correlation between customer satisfaction and customer value to tackle the ambiguities surrounding both concepts. The investigation seeks to establish whether customer value and satisfaction are separate concepts, both in theory and in practice. Measuring customer satisfaction is essential because it has a major influence on both long-term company performance and customer buying habits. Many scholars agree that maintaining high levels of customer satisfaction leads to greater customer loyalty and enhanced reputation (Fornell, 1992; Anderson & Sullivan, 1993; Wangenheim & Bayon, 2004).

The consumer's post-purchase evaluation of the overall service experience, determining whether their needs and expectations were met or exceeded, is known as satisfaction (Abubakar et al., 2001). Customer satisfaction is considered a crucial factor in the success of a business strategy in retailing, as it determines the ability of firms to remain, grow, and develop successfully (Thuong, 2016). Retailers analyze customer satisfaction to identify methods for expanding their customer base, fostering customer loyalty, increasing revenue and profits, enhancing market share, and ensuring survival (CSSP, 2007). According to Bigné et al. (2005), satisfaction is characterized as an individual's emotions of pleasure, excitement, delight, or disappointment resulting from comparing a product's perceived performance to their

expectations. The comparison between a product's perceived performance and customer expectations often leads to disappointment. Customers play a crucial role in the grocery retail sector, and researchers consistently emphasize their importance. According to Tse & Wilton (1988), customer satisfaction is the assessment of the perceived gap between prior expectations and the actual product performance. Similarly, Zairi (2000) emphasized that customers are the cornerstone of our work, and our success depends on them. Customers should not be seen as a problem, as dismissing them could jeopardize our future and security. This is the reason why organizations today are focusing on customer satisfaction and loyalty.

The perks of satisfying customers include boosts in revenue, reductions in customer-related transaction costs, and diminished price sensitivity among repeat purchasers (Lewin, 2009). To foster strong customer relationships, businesses should consistently prioritize listening to customers' needs, desires, concerns, and requests. Offering polite suggestions, delivering on promises, and going the extra mile, such as by establishing an effective customer service team, constitute best practices to retain them for the long term. Contented customers equate to sustained profitable business as they demonstrate loyalty to the company (Gumesson, 2002).

Customers' satisfaction with a company's products and services is the most important factor in achieving competitiveness and success (Hennig-Thurau & Klee, 1997). Nearly all company's profits are influenced by positive customer experiences. If customers think a product/service is good, they typically tell about nine to ten people. Reck (1991) suggests that around half of American business relies on informal communication known as "word-of-mouth." In a competitive industry, satisfying customers is crucial to differentiate oneself, as shoppers frequently frequent their preferred grocery store every week and make larger purchases then.

The above discussion emphasizes the significance of studying how shopping impacts customer happiness. Although research has been conducted in many countries, recent findings related to Nepal are lacking. Hence, the focus of this study will be on the contentment of clientele in grocery stores within Nepal.

1.2 Statement of the problem and research questions

The level of satisfaction of the customer is determined by the quality and pricing of the products they want. In addition, Bei & Chiao (2001) found that consumer satisfaction is highly influenced by product quality and price. However, Khan & Ahmed (2012) stated that the satisfaction of consumers is heavily influenced by the quality of the product. Furthermore, Ehsani & Ehsani (2015) discovered that price has the potential to improve both profitability and customer satisfaction. The value given to the customer is another factor that impacts customer satisfaction. Ma & Ding (2020) stressed that fulfilling customer needs by providing value can result in customer contentment. In the same way, Sugiarti (2013) stated that offering better customer value than rivals can result in higher customer satisfaction and loyalty. Multiple experts believe that product quality, price, and customer value all have an impact on customer satisfaction.

Ensuring customer satisfaction is vital for businesses in all industries, driven by a focus on customers and the fundamental values of continuous improvement in contemporary companies. A customer refers to an individual or an organization that purchases the goods or services produced by a business. Businesses target customers as they are the ones who buy goods and create demand. Businesses often follow the principle that "the customer is always right" because happy customers are more inclined to buy products and services again. In today's cutthroat business environment, guaranteeing customer happiness is crucial for a thriving company. Ensuring customer satisfaction is essential for a prosperous and thriving business. It has been linked to higher profit margins and increased employee satisfaction, as well as better customer loyalty, retention, and repeated purchases. When considering financial worth, it is evident that placing customer satisfaction as the top priority is crucial for business success. Satisfied customers will return for additional purchases, recommend your business to others, decrease selling expenses, and reduce service costs. In other words, companies that regularly track customer satisfaction levels are also keeping a close eye on their ongoing profits.

There are many factors that impact customer satisfaction. A. According to Hokanson (1995), these factors include being friendly, knowledgeable, and accommodating staff, accurate and timely billing, fair prices, efficient service, and excellent value overall. In order to make sure customers are satisfied, businesses must fulfill the wants and requirements of their customers (La Barbera & Mazursky, 1983)

Clarke (2001) suggests that a company focusing on pleasing customers might end up losing its distinctive identity if customers only view it as meeting the industry's fundamental requirements. In a competitive market, suppliers have to do more than just satisfying customers' requirements in order to keep their loyalty and ward off competitors.

Supermarket shopping is often categorized as a self-service retail environment. Tracking customers' satisfaction levels with the main aspects of the supermarket environment is essential for supermarket retailers in order to build stronger relationships. The objective of the retailer is to decrease reasons for complaints and dissatisfaction, as well as the costs linked to implementing a service recovery strategy (McCollough et al., 2000). Consumer satisfaction is the evaluation of the entire service experience by a customer post-purchase. It involves fulfilling or exceeding the customer's needs, desires, and expectations during their service interaction in an emotional way (Lovelock, 2001).

Although many studies have examined the correlation between price and customer satisfaction, every organization is unique in its own way, even if they have similarities in some areas. The time period, place, and general operating conditions are expected to differ as well. Furthermore, the influence of the price of a product or service on customer satisfaction, an important component of the marketing mix, has not been thoroughly studied. Hence, it is reasonable to conduct research on the impact of price, product, personal interaction, convenience, services, and physical appearance on customer satisfaction in different supermarkets in Nepal.

The inquiry is analyzing the current levels of customer satisfaction. The study examines different shopping aspects that have a direct influence on customer satisfaction. Some research has shown that inferior products are being authorized for purchase, causing doubt.

This study is directed to resolve the following issues:

- a) What is the existing level of customer satisfaction, product, price, customer interaction, convenience, service/facilities and physical appearance in Nepalese Supermarket?
- b) Is there any association among customer satisfaction, product, price, customer interaction, convenience, service/facilities and physical appearance in Nepalese Supermarket?
- c) What is the effect of product, price, customer interaction, convenience, service/facilities and physical appearance on customer satisfaction in Nepalese Supermarket?

1.3 Purpose of the study

The purpose of the studies are as follows.

The Specific Objectives are:

- a) Assessing customer satisfaction in Nepalese Supermarket by examining product quality, pricing, customer service, convenience, and store appearance.
- b) To evaluate how customer satisfaction is related to the product, price, customer interaction, convenience service/facilities, and physical appearance in Nepalese Supermarket.
- c) To investigate how product quality, pricing, customer engagement, convenience services/facilities, and store appearance impact customer satisfaction in Nepalese Supermarkets

1.4 Significance of the study

The importance of this research is to identify the essential factors needed to meet customer demands, ensuring their satisfaction, ultimately helping a store develop improved marketing strategies and customer service to stay competitive. By gaining a deeper understanding of how customers perceive things, companies can identify the necessary steps to fulfill their needs. They are able to recognize their strengths and weaknesses, assess their position relative to their competitors, map out the future

direction for progress and enhancements in the work methodologies and processes employed in the organization.

The sales and market managers can utilize this research to assess the effectiveness of their market strategies and sales techniques. Furthermore, they can utilize the findings of this research to enhance their understanding of the actual needs and desires of customers while they are shopping in any grocery store. In order for supermarket owners to understand the crucial factors that impact customer satisfaction, this knowledge will assist in boosting sales and ultimately generating more profits. Managers can use this research to tailor the Services, Personal interaction, Convenience, Product, Price, and Physical appearance to better meet customers' preferences.

This research on "factors affecting customer satisfaction with multiple regular customer cards" will be a foundation for future studies for students exploring consumer decision-making. Additionally, the results of the study will provide competitors with an understanding of how they can recognize and maintain their customer base. The findings of this research could also assist competitors in enhancing their methods for forecasting the factors that impact customer satisfaction.

1.5 Limitations of Study

This research on customer contentment in supermarkets in Nepal highlights various constraints that need to be recognized.

Sample Size and Diversity: This study only included a specific number of supermarkets and customers from a particular region in Nepal. This limited sample might not accurately reflect the range of supermarket customers nationwide. Therefore, the results may not be applicable to supermarkets in different areas or to the wider population of Nepal.

Cross-Sectional Design: The research employed a cross-sectional design, gathering information at one specific moment. This design restricts the capacity to measure shifts in customer satisfaction or comprehend the lasting effects of different factors on

satisfaction. Using a longitudinal method could offer a deeper understanding of how customer satisfaction changes and what specific elements impact it as time goes on.

Self-reported information was heavily used in the research, which could lead to biases in the study. Customers might have given answers that were considered socially acceptable, or their feedback could have been impacted more by recent interactions rather than their overall level of satisfaction. In order to address this issue, upcoming studies may include extra data sources like firsthand observations or customer feedback tools.

The study primarily concentrated on supermarkets located in urban regions of Nepal. This study did not address the unique challenges and customer satisfaction factors that supermarkets in rural areas may encounter. Incorporating rural supermarkets in future studies may offer a broader insight into customer satisfaction in various environments.

External factors, such as economic conditions, cultural differences, and recent changes in supermarket policies were not considered in the study, which could affect customer satisfaction. These variables could have impacted the results but were not accounted for in the study's plan.

Future studies could overcome these limitations by increasing the sample size and diversity, adopting a longitudinal approach, utilizing multiple data collection methods, and examining customer satisfaction in different geographic and economic settings.

CHAPTER 2

LITERATURE REVIEW

This chapter provide conceptual framework of the study and deals with review of empirical studied. It is divided into three sections. First section consists of an in-depth review of related studies in the context of both developed and emerging financial markets around the globe. Second section presets a conceptual framework. And, finally the third section presents remarks or research gap on the conceptual and empirical review.

2.1 Literature Review

A literature review provides a brief summary of the research, discussions, and conclusions on the subject. It also involves discussing the main discoveries and examining the methods and strategies utilized in earlier research. A literature review involves analyzing a section of existing knowledge by summarizing, classifying, and comparing previous research, literature reviews, and theoretical articles. It is also an academic paper that encompasses the latest research, significant discoveries, and theoretical and methodological advancements on a specific subject. A literature review entails examining and discussing the published works within a specific field of study. Analyzing and critically evaluating previous studies involves comparing and contrasting similarities and differences. It also involves discussing the key discoveries and evaluating the methods and approaches employed in past research. Thus, the assessment of primary sources has been arranged as follows:

2.1.1 Review of Relevant Studies

Reichheld et al. (1990) sought to measure how creating strong and meaningful connections can have a notable impact on customer happiness and commitment. For companies aiming to enhance their service quality, they should learn from manufacturing and prioritize retaining and enhancing performance with customers who are unlikely to return. Service company managers should make an effort to decrease the cost of scrap heap, as it can be just as expensive as faulty parts and unfit components. Their goal should be to strive for "zero defections", retaining every customer they can serve at a profit. When companies lower customer churn rates,

their financials experience remarkable improvements. While the extent of the shift may differ among companies and industries, the trend remains consistent: there is a significant increase in profits. A decrease in the rate of customers leaving by only 5% results in an 85% increase in profits for a bank's branch system, a 50% increase for an insurance brokerage, and a 30% increase for an auto-service chain.

In a study conducted by Bei et al. (2001), it was found that customer satisfaction is not affected by product quality and price. A study of 495 clients is carried out at 15 service centers belonging to three prominent car manufacturers, namely Mitsubishi, Nissan, and Toyota. Most service industries offer products that include both tangible and intangible elements, although the balance between the two may vary. Past studies in this area focused on two main goals: 1) combining service quality and product quality into a single model, and 2) investigating how three consumer perceptions (product quality, service quality, and price fairness) impact satisfaction and loyalty. The focus is on automobile maintenance service due to the importance of technicians' abilities and the quality of parts to customers. The findings showed that perceived service quality primarily influences consumer loyalty through satisfaction, whereas perceived product quality and perceived price fairness have direct and indirect effects on loyalty, through satisfaction.

Varki & Colgate (2001) investigated how price perception influences consumer satisfaction. In comparison to the attention given to service quality research in service marketing, less effort has been put into studying the impact of price perceptions on customer retention. The article aimed to address this deficiency in the existing research. The research formed theories about how price relates to customer value, satisfaction, and behavioral intentions, and then examined these theories using real data from the banking sectors in the U.S. and New Zealand. Their research shows that price perceptions have a greater impact on customer value perceptions compared to quality, and that price perceptions, when assessed comparatively, directly affect customer satisfaction and behavioral intentions, in addition to their indirect impact through customer value. These findings showed that customer retention is highly influenced by perceptions of price, and recommended that managers should focus on both price and quality perceptions of consumers to improve retention.

Jamal & Naser (2002) found a connection between customer satisfaction and both core and relational dimensions of service quality. 167 participants were involved in the research study. Both researchers and bank marketers consider it crucial to comprehend the causes and effects of customer satisfaction. The results of the survey examined how service quality dimensions and customer expertise affect satisfaction. The results showed that customer satisfaction is connected to both the core and relational aspects of service quality. Research also shows a negative relationship between expertise and satisfaction. The article addressed potential consequences for bank executives.

ebekah & Sharyn (2004) found that ensuring the quality of products and services in the 20th century is important not just for customer satisfaction, but also for maintaining a secure position. A survey was conducted on 267 businesses to measure their levels of satisfaction and attitudinal loyalty towards an advertising service. Truly, the customers greatly benefitted from the survey in consuming high-quality products. Marketing managers, especially in service industries, consider customer satisfaction as a crucial aspect. Nevertheless, it seems that the main objective is usually to attain customer contentment, as indicated by the focus on customer satisfaction surveys. The authors showed through empirical evidence that satisfaction and attitudinal loyalty are not synonymous, sometimes satisfaction does not lead to loyalty. A business study was chosen because of the importance of satisfaction and attitudes in high-risk environments that require complex decision-making.

According to Rekettye & Printer (2006), a study was carried out by conducting a face-to-face survey with 1384 randomly chosen residential consumers in Hungary to investigate the theory that content customers are more likely to accept higher prices. The participants were questioned regarding their contentment with the delivery of electricity and also tasked with assessing the prices in relation to the quality of the service they had received. The statistical model created to examine this connection was both dependable and important. It confirmed the fundamental theory that happy customers are more willing to pay higher prices.

Ismail and colleagues (2006) investigated how audit service quality impacts client satisfaction and loyalty towards audit firms. To assess how public listed companies are perceived and what expectations are held for them. The SERVQUAL model was utilized. The five aspects of SERVQUAL - reliability, assurance, tangibility, empathy, and responsiveness - were utilized for assessment.

In a study by Thuong (2016), it was discovered that customer satisfaction towards supermarkets was enhanced by factors such as product, price, personal interaction, convenience, services, and physical appearance. The research examined customer satisfaction with 200 responses from 4 chosen supermarkets, revealing that customer satisfaction is influenced by product, price, personal interaction, convenience, services, and physical appearance dimensions. Regression Analysis was utilized to determine how these factors influenced customer satisfaction. The study results demonstrated that customer satisfaction towards the supermarkets examined was positively influenced by product quality, pricing, personal contact, convenience, services, and store appearance. Price had the most significant impact on customer satisfaction among them.

Vanpariya & Ganguly (2020) found that there is a strong and positive relationship between service quality and customer satisfaction, positive word of mouth, and loyalty intention. While there is a wealth of research focusing on service quality in developed countries, there is a lack of similar studies in developing nations. This study delves into the topic of evaluating service quality in the banking industry in India. This paper aims to investigate how two common measures of service quality in the Indian banking sector can be applied. SERVQUAL is made up of two well-known multi-item scales used to gauge service quality. The dimensionality, reliability and validity of these scales are assessed in the Indian context when measuring service quality. Furthermore, the study analyzes the connections between service quality and customer satisfaction, positive word-of-mouth, and loyalty. From a diagnostic perspective, more resources are required for the empathy dimension in SERVPERF due to its low performance score (P). Nonetheless, SERVQUAL indicates that the most significant difference lies in the reliability aspect, necessitating additional resources.

2.1.2 Review of Recent Literature

Andaleeb (2001) investigated how service quality affects patient satisfaction in Bangladeshi hospitals. The research aimed to discover key service quality factors that are important to patients and how they are connected to patient satisfaction. Information was gathered via a field study, with statistical methods consisting of factor analysis and multiple regression. The results showed important links between responsiveness, assurance, communication, discipline, and patient satisfaction. The result indicated that enhancing these aspects of service quality could increase patient contentment in developing nations.

Jamal et al. (2004) studied the variables impacting customer contentment in the banking sector of Singapore, concentrating on relationship marketing and the disconfirmation paradigm. The research utilized a group of B2B clients and applied statistical methods like factor analysis and regression analysis. The results underscored the significance of relational factors in influencing customer contentment. The findings indicated that corporate-customer satisfaction is heavily impacted by relationship marketing and guanxi. Enhancing these relationship structures can boost customer satisfaction and loyalty in the banking industry.

Herrmann and colleagues (2007) investigated how customer satisfaction in the context of buying cars from major German dealerships is affected by their perception of price fairness. The objective of the research was to establish a connection between fairness in pricing and customer contentment, with a survey of 246 individuals who had purchased a car. Factor analysis and multiple regression analysis were among the statistical tools utilized. The results showed that the way price is perceived directly impacts satisfaction evaluations, and that consumer vulnerability has a negative effect on how fair they perceive the price offer to be. The outcome was that the perception of fair pricing is crucial in influencing customer satisfaction when purchasing a car.

Agbor (2011) examined how service quality dimensions impact customer satisfaction by exploring the positive relationship between them. Convenience sampling was used in the research to gather quantitative information from 220 clients of Umeå University, ICA, and Forex, using the SERVQUAL model to evaluate perceptions of service quality. Chi-square tests were employed to evaluate hypotheses individually as well as collectively. The results showed that there is a direct correlation between

customer satisfaction and all dimensions of service quality. The research found that improving aspects of service quality can greatly increase levels of customer satisfaction.

Singh (2013) examined how perceived service quality influenced customer satisfaction in retail stores located in and around Delhi City, India. The aim was to establish the connection between interpersonal communication and client contentment. Data was gathered from 600 customers using a scale created by Dhabolkar, Thorpe & Rentz, covering five dimensions: physical aspects, reliability, personal interaction, problem solving, and policy. Analysis of statistics indicated that policy, issue resolution, and dependability accounted for 39.2% of the variation in customer satisfaction. The research found that customer satisfaction in retail stores can be improved by enhancing personal interactions.

Wen-Shinn Low and colleagues (2013) examined how customer satisfaction and price sensitivity are connected, with a specific emphasis on female customers and those who visit frequently. The research involved 248 pairs of retailers and consumers and utilized statistical methods like regression analysis. The results indicated that as economic satisfaction decreases, price sensitivity increases, and as social satisfaction increases, price sensitivity also increases. The finding was that social happiness has a notable impact on price sensitivity, particularly in certain customer groups.

A study by Otterbring et al. (2014) examined how in-store signage affects customers' visual attention and decision-making in a grocery store using two eye-tracking field experiments involving 175 customers. The research sought to examine the impact of signage content on customers' navigation and decision-making processes. The results showed that familiarity with the store and the stage of in-store search both influence attention towards signage, and that signage has a significant effect on customers' visual attention when making decisions. The outcome showed that efficient signage can direct customer actions and improve their shopping journey.

Razak and colleagues (2016) investigated how customer satisfaction can be enhanced by product quality and competitive pricing, with a specific emphasis on the intermediary function of customer value. Data was collected through Likert scale questionnaires from a sample of 110 mall visitors in the study. Inferential statistics

made use of structural equation modeling (SEM). The results showed that enhancing product quality and offering competitive prices can enhance customer satisfaction, with particular emphasis on toothpaste quality for customer satisfaction. It was concluded that customer satisfaction can be greatly improved by improving product quality and offering competitive pricing.

In Kumar's (2017) study, the impact of service quality dimensions on customer satisfaction and service loyalty in the telecommunications sector was investigated. The research sought to investigate how empathy and reliability affect customer satisfaction and how empathy, assurance, responsiveness, and tangibility impact customer loyalty. A convenience sampling technique was employed to gather data from 515 participants, with 86 samples eliminated due to response inaccuracies, ultimately leaving a final sample size of 429. Information was gathered from individuals who are not involved in the business sector and use telecommunication services, utilizing a 5-point Likert scale. The statistical methods used involved exploratory factor analysis (EFA), confirmatory factor analysis (CFA), and structural equation modeling (SEM). The results showed that customer satisfaction is significantly impacted by empathy and reliability, while customer loyalty is significantly influenced by empathy, assurance, responsiveness, and tangibility. The outcome indicated that boosting these aspects of service quality could improve customer satisfaction and loyalty in the telecom industry.

2.1.3 Review of Nepalese Literature

Gautam & Dhital (2004) found that customers were happier with the second version of the joint venture bank because they experienced shorter waiting times and encountered positive employee behavior. The research examined three classifications of Nepalese commercial banks regarding their service quality and concluded that joint venture banks excel in service quality aspects except for tangibles compared to non joint venture banks and public banks. Reliability is viewed as the primary factor influencing the service quality of commercial banks in Nepal for Nepalese customers. The outcome indicated that banks need to prioritize their service quality and customer satisfaction in order to ensure their continued presence in the long run. The outcome also showed that assurance and responsiveness significantly influence customer satisfaction in Nepalese commercial banks. The study also found that public banks are

effectively competing with both joint venture and non-joint venture banks.

Ramachandran (2006) discovered that failure to address customers' issues can lead to complete dissatisfaction with the services, which could become a significant problem for the organization. A total of 30 questionnaires on service quality and customer satisfaction were gathered. The survey was accessible in the English language. The majority of participants were women over the age of 26. The research took place in Vantaa, at the Nepalese eatery Sagarmatha found in Helsinki. The thesis's career advisor was Purna Chandra Adhikari, who serves as the Restaurant Sagarmatha's manager. The objective of the research was to provide excellent service and ensure customer satisfaction. Service Quality and Customer satisfaction are considered primary focuses within the organization. The relationship between service quality and customer satisfaction is reciprocal. If the organization's services and goods are well-received by customers, it also benefits the organization. The study method used in the thesis was quantitative with a questionnaire survey and qualitative with a structured interview. Only one survey was made related to quality service and customer satisfaction. In specific, the study method used was user/visitor survey. The survey was carried out during November and December 2011. Similarly the Structured interview was taken during November and December 2011.

According to Shrestha (2012), perceived business benefits tangibility, reliability, responsiveness, and assurance are crucial for service quality and customer satisfaction. The research involved 364 participants who are currently clients of commercial banks in the Kathmandu valley. Clients hold significant importance in companies and their contentment is a top priority for management. Service quality is now a crucial factor in ensuring customer contentment. The research aims to evaluate customer satisfaction and service quality dimensions in the commercial banking sector of Nepal. The research utilized descriptive statistics, correlation, and regression analysis to evaluate the connection between service quality dimensions, service quality, and customer satisfaction variables. Nepal Investment Bank was discovered to be the most preferred bank among the commercial banks in Nepal. All service quality dimensions, such as tangibles, reliability, responsiveness, assurance, and empathy, play a vital role in shaping the service quality and customer satisfaction of

commercial banks in Nepal. Service quality has a significant impact on customer satisfaction.

Ghimire (2012) investigated the interconnectedness between service quality and customer satisfaction. A total of 30 surveys evaluating service quality and customer satisfaction were gathered. The survey was offered in the English language. The majority of the participants were women over the age of 26. The objective of the research was to provide high-quality service and ensure customer satisfaction. The methodology employed in this thesis included a quantitative approach utilizing a questionnaire survey and a qualitative component involving structured interviews. There was only one survey conducted regarding quality service and customer satisfaction. The particular method employed was surveying users/visitors. The study took place in November and December of 2011. The Structured interview was also conducted in November and December 2011.

In the same manner, Gyawali & Kumar (2014) discovered a strong and positive correlation between customer satisfaction and five dimensions of service quality. Reliability, responsiveness, assurance, and empathy all played a part in increasing the range of perceived satisfaction with overall service quality (SQ). The study aimed to explore how customer relationship management in Nepalese commercial banks impacts customer satisfaction and loyalty. More specifically, it explores how service quality, employee behavior, customer convenience, pricing, and promotions influence customer satisfaction and loyalty.

Pradhananga (2014) discovered that the correlation between dimensional service quality and tangible dimensional service quality with customer satisfaction in Nepalese commercial banks is extremely weak. Only 96 out of the 120 questionnaires given to customers of the selected banks have been returned, which equals to 80 percent of the total distribution. The research looked into how the quality of services affects customer satisfaction in commercial banks in Nepal. The research utilized a research design that was descriptive and analytical in nature. The research utilized

primary data from a survey to examine dimensions of service quality, including related dimensional service quality, tangible dimensional service quality, and core service quality. Correlation and multiple regression analyses were utilized to investigate the influence of service quality on customer satisfaction. The research found that the connection between dimensional service quality and tangible dimensional service quality and customer satisfaction in Nepalese commercial banks was very weak and not satisfactory. However, the quality of core services greatly affects customer satisfaction. Therefore, Nepalese commercial banks need to enhance their service quality across relevant and tangible dimensions in order to increase the banks' efficiency.

Maharjan (2014) studied the quality of service, satisfaction of customers, and loyalty of customers in Nepalese commercial banks. The research indicated a correlation between service quality elements and customer contentment. The research revealed a positive correlation between service quality, customer satisfaction, and customer loyalty in Nepalese commercial banks. Therefore, meeting the banking needs of customers through quality service leads to customer satisfaction, which in turn leads to customer retention and increased loyalty. The research showed that the majority of clients were happy with the bank's services and would be willing to suggest the bank to their acquaintances. Banks also receive positive feedback from customers regarding their online and internet banking services. The research indicated that reliability is the primary factor for service quality in Nepal's commercial banks while technology is considered the least significant factor.

Sharma (2015) analyzed how the online service quality of e-commerce websites impacted user satisfaction. The study aimed to analyze the quality of services provided by e-commerce websites on online platforms and their impact on promoting e-business. The research was based on five groups of concepts and their corresponding measures. All measures were developed based on the questions in a survey form that utilized a 7-point rating system ranging from strongly disagree (1) to strongly agree (7). The items were verified in previous research and adjusted slightly to measure online service quality in the context of an e-commerce website. The online survey was conducted on a survey platform offered by Nepal Telecom in Nepal,

allowing interested online users to access the portal. The results of the research indicate that the quality of information and online services are crucial factors in determining user satisfaction and the long-term success of e-commerce technology.

Bhatta & Durgapal (2016) discovered a significant link between service quality dimensions and customer satisfaction was identified. The research involved 300 participants from six banks situated in Kathmandu Valley. The SERVPERF approach was utilized to assess the quality of service. The surveys contained 27 questions concerning the five aspects of service quality (reliability, assurance, tangibility, empathy, and responsiveness). The research studied how customers in Nepalese commercial banks view service quality and satisfaction. Customer satisfaction was assessed using a single item measure. There was a significant link discovered between customer satisfaction and service quality dimensions. Regression analysis found that reliability, tangibility, empathy, and responsiveness were significant predictors of customer satisfaction.

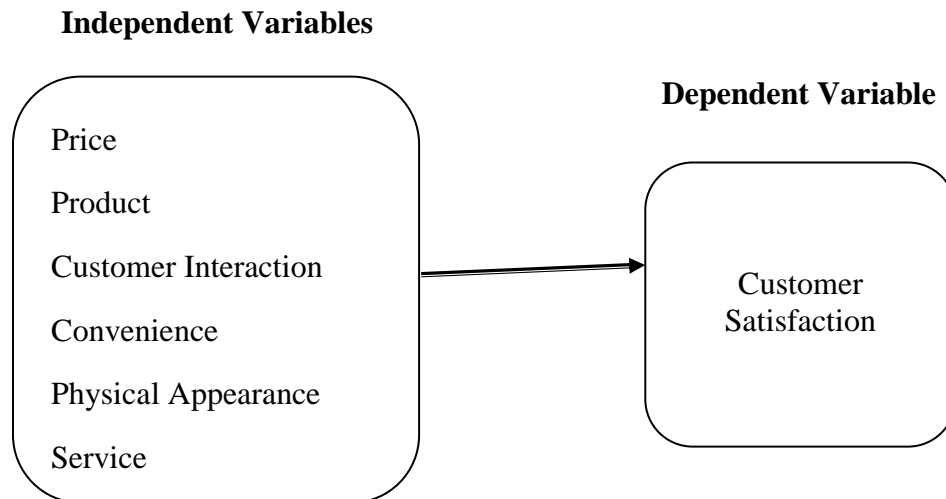
2.2 Conceptual Framework

The study is established on the conceptual framework, which serves as its basis or foundation. The entire study progresses within the framework of this theory. The initial review of literature and information lays a strong groundwork for constructing a conceptual framework. It is crucial that the conceptual framework is meticulously constructed and presented as the study aims to create theories on various issues and queries.

To put it differently, a conceptual framework is a fundamental conceptual structure built upon a theory. It determines the types of variables that will be utilized in the analysis. A conceptual framework is a form of intermediate theory that aims to link all elements of investigation in problem identification, objective, literature review, methodology, data collection, and analysis. Conceptual framework serves as a guide for empirical research by closely aligning with the research question or problem, taking on various forms. This research aimed to explore how customer satisfaction is influenced by variables such as product, price, personal interaction, convenience, physical appearance, and service.

Conceptual framework

This figure shows the relationship between selected independent variables (product, price, personal interaction, convenience, physical appearance and service) and dependent variable (customer satisfaction).



Independent variables

Product

Products are called merchandise which is there for satisfying the needs of the customer. The various items that are offered to the customers are the products. In this we have consider the various aspects of the products such as the variety of the products, durability of the product offered, brand of the product. Similarly each product has its own manufacturing date and the expiry date and we have also considered this aspect in our study. The customers are likely to consider the various aspects of the product. Fornell (1992) found that the customer satisfaction depends on these various aspects of the products. Satisfaction is primarily a function of a customer's quality experience with a product or service.

Hansemark & Albinsson (2004), "satisfaction is an overall attitude towards a product provider or an emotional reaction to the difference between what customers expect and what they actually receive regarding the fulfillment of a need". Kotler (2000) also define satisfaction as a person's feelings of pleasure, excitement, delight or disappointment which results from comparing a products perceived performance to his or her expectations.

Based on it, the study develops following hypothesis:

H1: There is a positive relationship of product with customer satisfaction.

Price

Price sometimes refers to the quantity of payment requested by a seller of goods or services, rather than the eventual payment amount. Price is the quantity of payment or compensation given by customers for the goods or services. This requested amount is often called the asking price or selling price, while the actual payment may be called the transaction price or traded price. Ranaweera *et al.* (2003) found that the perceived “reasonableness of price” has a positive correlation to customer retention. Gupta (2014) found there is a positive impact of price sensitivity on customer satisfaction.

The various discounts such as: loyalty discounts, discounts on different occasion or the discount schemes may be given to the customers. Here this discount given to the customers may play a significant impact on the customer satisfaction. Wen-ShinnLow *et al.* (2013) stated social satisfaction is positively related with price sensitivity, especially for female customers and customers with high patronage frequency.

Based on it, the study develops following hypothesis:

H2: There is a positive relationship of price with customer satisfaction.

Customer Interaction

Everything a person does with and around others is considered interpersonal interaction. Interpersonal interactions also include things like relating to one another and exchanging feelings, and they can be both verbal and nonverbal. The assistance of the staff during the purchase is also a kind of interaction. Interpersonal interaction can be a factor that influences the customer satisfaction. The various factors that determine how the interpersonal interaction is are the knowledge, behavior and attitudes and promptness in the response. Interaction between customers has gained the attention because people tend to shop more based on social reasons (Moore *et al.*, 2005).

Nguyễn Thị Thu Thương (2016) found that product, price, personal interaction, convenience, services and physical appearance were positively impacted on customer

satisfaction towards supermarkets. Compatibility between customers also designated higher satisfaction and patronage intentions (Martin *et al.*, 1989).

Based on it, the study develops following hypothesis:

H3: There is a positive relationship of customer interaction with customer satisfaction.

Convenience

True convenience is related to both time and effort. There are different ways to lessen the physical effort needed for tasks we don't enjoy, like ready-made meals that save us from cooking, or online shopping that eliminates the need to go out. Conveniences in service are those that help shoppers save time or energy. Convenient processes, items, and amenities aim to enhance accessibility, conserve resources (like time, effort, and energy), and reduce annoyance. Nguyễn Thị Thu Thương (2016) discovered that customer satisfaction towards supermarkets was enhanced in a positive way by convenience and services.

Factors such as parking options, storage availability, payment methods, return policies, and additional amenities are considered when evaluating customer convenience. This factor is thought to impact customer satisfaction, making it one of the independent variables in this study. Increased customer interaction can lead to more shopping by providing opportunities for customers to connect with others who share similar interests (Dholakia, 1999).

Based on it, the study develops following hypothesis:

H4: There is a positive relationship of convenience with customer satisfaction.

Physical Appearance

These consumers form an opinion of a business based on physical presence, which heavily influences their decision to shop at a location. Nearly all shoppers say that exterior appearance is important in their selection of a place to shop. One-third of consumers have chosen not to enter a business because it "didn't look like a place I would normally shop." These consumers may not have been able to put a finger on

specifically why they didn't want to shop there, but there was something about its appearance that gave them pause.

When considering what's important in selecting a place to conduct business, cleanliness and organization are as important as customer service and cost. More than 80 percent of consumers admit they have shopped only once at a location and never returned because it did not meet their expectations. Parasuraman *et al.* (1988) found that physical appearances significantly improves positively mental set up of customers towards satisfaction about quality service.

Based on it, the study develops following hypothesis:

H5: There is a positive relationship of physical appearance with customer satisfaction.

Service

Barsky (1992) discovered that customer satisfaction plays a vital role in service provision as meeting customers' needs can lead to more market share through repeat purchases and referrals. Services consist of diverse human actions rather than fixed procedures; utilities being the only exception. Bhatta and Durgapal (2016) discovered a significant link between the dimensions of service quality and customer satisfaction. A self-service store with a variety of food and household items, arranged into aisles, is referred to as a supermarket. It is bigger and offers a broader variety of items compared to a typical grocery store. This refers to the supplementary services provided by the grocery store such as dining areas, kids' play area, safety measures, and home delivery. Customers are content when these factors, in addition to the standard services, are provided in a supermarket. Jenet Manyi Agbor (2011) discloses the connection between service quality dimensions and the satisfaction of customers with service quality.

Based on it, the study develops following hypothesis:

H6: There is a positive relationship of service with customer satisfaction.

Dependent variables

Customer satisfaction

Clients are people who buy products or services from businesses in order to meet their needs and increase happiness. Even though customers and consumers are frequently confused, they have different purposes: a customer makes purchases, whereas a consumer is the one who actually uses the products (Solomon, 2009). The level of satisfaction one feels after consuming goods or services depends on their expectations and how well they feel the product or service performed for them (Kotler & Keller, 2009). Determining satisfaction can be difficult because it is a personal feeling, best analyzed through direct customer feedback (Levy, 2009).

Various studies have emphasized the importance of service quality in ensuring customer satisfaction. Rodolfo Vazquez and colleagues (2001) specified four main factors of service quality in retail: physical elements, dependability, interpersonal communication, and procedures. According to Tse & Wilton (1988) and Fornell (1992), customer satisfaction is viewed as a general assessment made after a purchase, which is affected by the difference between expectations and the actual performance. Different interpretations of customer satisfaction exist, typically focusing on how individuals view the performance of a product or service in comparison to what they expected (Schiffman & Karun, 2004). Ultimately, it is crucial for companies to prioritize customer satisfaction since it shows client contentment and is a key indicator of a company's performance.

2.3 Research gap

Although customer satisfaction is increasingly important in the retail industry, there is still a substantial lack of knowledge about the factors that affect customer satisfaction in supermarkets in Nepal. Most literature mainly concentrates on Western markets or urban centers in other developing nations, offering few details on the specific environment of Nepali supermarkets.

Even though there is extensive research on customer satisfaction in supermarkets worldwide, there is a deficiency of studies that specifically examine the intricacies of the Nepali market. Past research frequently makes broad conclusions from various cultural and economic settings that may not necessarily translate directly to Nepal. This highlights the necessity for research focused on the particular socio-economic and cultural aspects affecting customer satisfaction in supermarkets in Nepal.

Many studies frequently ignore the impact of local factors like economic conditions, cultural practices, and consumer behavior unique to Nepal. It is essential to comprehend how these factors at the local level impact customer happiness in order to create successful plans specifically designed for the Nepali environment.

Limited comparative studies on customer satisfaction across various supermarket types in Nepal, including local vs. international chains, or urban vs. rural supermarkets, are available. Comparative research might uncover differences in customer expectations and satisfaction levels, leading to a deeper comprehension of the market.

The majority of studies in this field are usually cross-sectional, providing a brief glimpse into customer satisfaction at a specific moment in time. Long-term research is required to monitor shifts in customer happiness as market conditions, customer preferences, and supermarket policies change.

Limited research has been done on how the adoption of digital technologies and online shopping platforms affects customer satisfaction in Nepalese supermarkets despite their growing use. Studying how technological advancements affect customer satisfaction can provide valuable insights for both parties.

Addressing these gaps through targeted research will provide a more comprehensive understanding of customer satisfaction in Nepali supermarkets, leading to more effective strategies for enhancing customer experiences and optimizing retail performance.

CHAPTER 3

METHODOLOGY

Research methodology outlines the overall strategy for the study and establishes a fundamental framework for the study. It outlines different successive actions for the researcher to take when studying an issue with specific goals. It is essential to outline the research methodology before discussing data analysis and interpretation. Without a proper methodology, there is a high chance that the conclusions reached will be misinterpreted. Therefore, this chapter details the research methods utilized in this investigation. The research design, research methods, sampling techniques, and data gathering instruments are all discussed in the document.

3.1 Research Design

This study utilizes descriptive research design and causal comparative research design to address key issues related to the influence of shopping factors on customer satisfaction in Nepalese supermarkets. This research utilizes a descriptive research design to gather facts and uncover sufficient data on how shopping factors affect customer satisfaction. This research methodology involves gathering evidence. It explains the phenomenon in its current state. This design requires gathering and organizing data in a structured way to provide a comprehensive understanding of a specific situation.

This research also utilizes a casual comparative research design. This design was implemented to determine and comprehend the orientations, extent, and types of observed correlation between shopping factors and customer satisfaction. This

research design examines how shopping factors affect customer satisfaction by analyzing current outcomes and identifying potential factors that influence changes in customers' shopping behavior at supermarkets. Casual comparative design is utilized to determine the causal relationship between various shopping factors and customer satisfaction. The research methodology was chosen to gather facts and find sufficient data on factors that influence customer satisfaction. The survey was created to evaluate supermarket customers' perception of their satisfaction level.

3.2 Population and Sample

This research relies on original data sources. A set of organized surveys with 5-point Likert Scale questions was given to the patrons of a Nepalese grocery store. The main data was utilized to gather customer feedback on shopping factors and their influence on customer satisfaction in Nepalese supermarkets. This research aims to assess how various factors affect customer satisfaction in Nepalese supermarkets. Convenience sampling is employed to monitor the participants in the research. Convenience sampling was suitable for this study since it is the most effective way to access respondents given time and budget limitations. The sampling method usually requires a uniform population, where all members share similar characteristics. The study focuses on the complete customer base of a supermarket in Nepal.

Table 1 List of the supermarkets inside the Kathmandu Valley

S.N	Name of Supermarket <i>(in alphabetical order)</i>
1.	BG Mall
2.	BhatBhateni SuperMarket (BBSM)
3.	BigMart SuperMarket
4.	BishalBazzar
5.	Iplex Mall
6.	Kathmandu Mall
7.	KK Mart

8.	Labim Mall
9.	R.B. Complex
10.	Saleways Departmental Store

This study includes different supermarket located throughout the Kathmandu Valley. Only the customers of supermarket are used as a sample for the study. For the analysis of factors affecting customer satisfaction in Nepalese supermarket, questionnaires were distributed to the respondents and 300 were collected. For data collection, one of the non-probabilistic techniques i.e. convenience has been used. No restriction has been place on the type of survey. Convenience sampling is one of the type of non-probability based on who they think would be appropriate for the study. Due to the time and financial constraints, this method was most useful method because it is the way to reach the respondents. This study has totally focused Kathmandu valley supermarket to collect the data. A set of questionnaires shown in appendix was prepared and distributed to the customers within Kathmandu valley.

3.3 Sources of data

The research relies on primary data sources. Quantitative research relies on primary sources of data. The main data source is utilized to gather customer feedback on factors influencing satisfaction in Nepalese supermarkets.

The structural survey aims to gather information about shopping factors and customer satisfaction. The initial section of the surveys focused on gathering demographic details such as gender, marital status, age, education, shopping frequency etc. This section helped in creating a profile of the respondents based on demographics. Likewise, the second section of the survey aimed to assess how shopping factors affect customer satisfaction. Five statements describe each factor that influences customer satisfaction. Every statement was assessed using a Likert scale. The survey utilized a 5-point Likert scale where 5 represents strongly agree and 1 represents strongly disagree. The perception of respondents regarding each statement was measured using the level of agreement and disagreement.

The second part of the survey contains statement about product, price, customer interaction, convenience, appearance, and services. These variables were utilized to assess the customer's opinion on the factors influencing satisfaction levels at the supermarket. This style was implemented to determine and comprehend the orientation, size and types of seen connection between various factors and customer contentment. Cronbach's alpha was used to test the reliability of the data.

3.4 Data collection procedure

This research aims to explore the views of participants on customer happiness in Nepalese supermarkets. The information was gathered from patrons of a supermarket in Nepal. A structured survey was distributed to every selected customer via the internet. Customers were politely asked to indicate their level of satisfaction and dissatisfaction using a five-point Likert scale, with options ranging from 1 (strongly satisfied) to 5 (strongly dissatisfied). Approximately two weeks after the online form was given, a sole follow-up was conducted. The survey utilized in the research is shown in the appendix.

3.5 Data Processing Procedure

The process of analyzing data for this study on customer satisfaction in supermarkets in Nepal includes multiple important stages to guarantee precise, trustworthy, and significant examination of the gathered data. Initially, information is gathered via formal surveys. Data that has been gathered is assessed for accuracy. Validity pertains to the accuracy of results. It assesses if the research accurately gauges its intended target or the validity of the research findings. It pertains to the precision of a measurement and it is considered valid if it effectively measures and executes the intended functions. It is the extent to which a measurement effectively reflects its intended subject. On the flip side, reliability pertains to the trustworthiness of the test, focusing primarily on the stability and consistency of measurement outcomes and tools. Reliability is described as the consistency of results over time and how well they represent the entire studied population. When a study's results can be replicated using a smaller method, the research tool is deemed reliable.

Cronbach's alpha is commonly utilized as a statistical tool to gauge internal consistency and reliability. In this research, the primary data is utilized to assess the reliability and validity of various proxies related to product, price, personal interaction, convenience, physical appearance, and service factors to measure internal consistency across different categories. The number of test items and the average inter correlation among the items both play a role in determining the outcome. Typically, a coefficient of 0.7 or higher is deemed satisfactory and demonstrates solid construct reliability. Table 3.1 shows the Cronbach's alpha coefficient for all of the primary data.

The reliability of each components in the questionnaire on factors influencing customer satisfaction in Nepalese supermarkets was calculated using SPSS. The Cronbach's alpha values for both the dependent and independent variables are all above 0.7, indicating their reliability at 70 percent. The measures for product, price, personal interaction, convenience, physical appearance, security, and customer satisfaction are 0.713, 0.744, 0.809, 0.805, 0.768, 0.753, and 0.781, in that order. The instrument was found to be reliable and valid based on the results of reliability and validity, with a Cronbach's alpha of 0.855 which exceeded the minimum threshold of 0.7. It signifies that 85.5 percent of the data collected for the research is trustworthy.

Table 2 Coefficient of Cronbach's alpha

Variables	Cronbach's Alpha based on standardized items	Number of items
Product	0.713	5
Price	0.744	5
Customer Interaction	0.809	5
Convenience	0.805	5
Physical Appearance	0.768	5
Service	0.753	5
Customer Satisfaction	0.781	5
Overall	0.855	35

After checking validity, survey responses are coded into numerical or categorical variables for ease of analysis. For instance, satisfaction levels are coded on a Likert scale (1 to 5) and demographic information (age, gender, etc.) is categorized accordingly. Some variables were transformed for analysis purposes. For example, open-ended responses were categorized into themes to facilitate quantitative analysis.

3.6 Data analysis tools and techniques

This section provides information on the utilization of gathered data for the research objectives. Customers receive the questionnaire and letter online. While the customers are requested to complete the survey. The process of analyzing data is comprised of four sections. The initial part of the analysis involved primary data analysis, which consisted of summarizing descriptive statistics related to respondent demographics such as gender, marital status, age, education, and shopping frequency.

The second part examines the descriptive statistics, including the mean and weighted average of five influential factors - product, price, customer interaction, convenience, physical appearance, and service - used to define the sample characteristics over the period. The research also employed percentage frequency distribution and mean scores from the responses to Likert scale questions. The third part focused on the Pearson's correlation analysis to examine the connection between various shopping factors and customer satisfaction in Nepalese supermarkets.

In the same way, the fourth section focuses on analyzing primary data through regression techniques. Regression models are used to predict how customer satisfaction is affected by product, price, personal interaction, convenience, physical appearance, and service. The data gathered is being examined using SPSS.

Total responses collected via Google Form from the respondents were coded and tabulated into SPSS worksheet. The function of SPSS is to analyze the result of the questionnaire and then helps to interpret the findings. The various tools such as frequencies, descriptive statistics, and casual comparative and reliability analysis (Cronbach's alpha) were applied to derive the result. Further, p-value is used to check the level of significance of the different statements of product, price, personal interaction, convenience, physical appearance and services.

The econometric models used in this study tries to explain the relationship between shopping factors and customer satisfaction.

The study used least square regression model to test which of the hypothesis are consistent with data. As each hypothesis in this study imply unique time-ordered and signed relationship, regression model may help to indicate which of the hypotheses are generally consistent or inconsistent with the data. In order to explain the effect shopping factors on satisfaction of customer measured as customer satisfaction, following regression model is used.

Model:

In this model, dependent variable is the CS indicated by customer satisfaction. The independent variables are product, price, personal interaction, convenience, physical appearance and service. The model is presented as:

$$CS = \beta_0 + \beta_1 \text{PRO} + \beta_2 \text{PRI} + \beta_3 \text{CI} + \beta_4 \text{CO} + \beta_5 \text{PA} + \beta_6 \text{SE} + e_i$$

Where,

β_0 = Slope

$\beta_1, \beta_2, \beta_3, \beta_4, \beta_5, \beta_6$ = Coefficient of variables

CS= customer satisfaction

PRO= product

PRI= price

CI= Customer interaction

CO= convenience

PA= physical appearance

SE= service

CHAPTER 4

RESULTS

This research focus mainly on analyzing primary data that primarily relates to the qualitative aspects of customer satisfaction in Nepalese supermarkets. This portion also presents the findings of a survey where questionnaires were given to various customer segments. A survey questionnaire was created to gauge respondent opinions regarding their satisfaction with aspects such as product, price, interpersonal communication, convenience, services, and physical appearance. The individuals' profiles, their personal traits, and the survey findings will be outlined in the upcoming sections. The data was analyzed through calculation of percentage, frequency, mean value, and weighted average mean value for accurate analysis of data.

4.1 Presentation of Results

This study mainly concentrates on examining original data that specifically investigates qualitative aspects associated with customer satisfaction in Nepalese supermarkets. This section also features the results of a survey carried out with different customer segments. The survey form was designed to collect participant feedback on their overall satisfaction with product, price, customer service, convenience, services, and physical appearance. The forthcoming sections will provide a detailed account of the participants' demographics, individual traits, and survey results. Percentages, frequencies, mean values, and weighted average mean values were calculated for a comprehensive data analysis.

4.2 Respondent's Profile

The first section deals with the demographic analysis of the data that has been collected. This analysis covers the frequency distribution of age, gender group; number of years worked in the organization. They are briefly discussed below.

4.2.1 Province

Figure 1 Distributions of Respondents according to Province

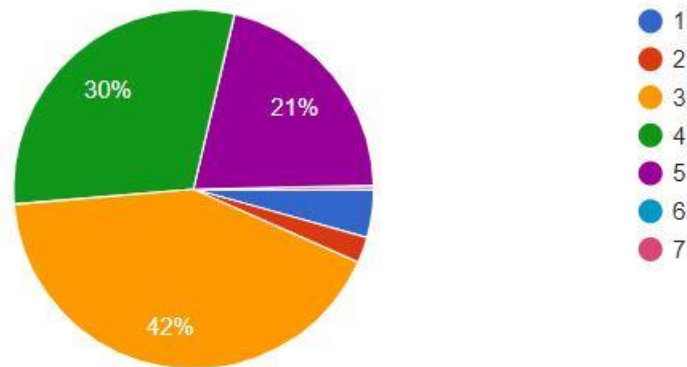


Figure 1 shows the geographical distribution of respondent based upon their permanent residence. Its shows majority (126) were from Province 3 followed by Province 4 (90). 63 respondents were from Province 5, 13 from Province 1 and 7 from Province 2. There was 1 respondent from Province 7 with none from province 6.

4.2.2 Gender

Gender is an important variable in expressing and giving the responses about the problem. Hence, the variable gender was investigated for this study. Table 4.1 shows the sample on the basis of gender. It shows that 144 were male and 156 were female among the respondents.

Table 3 Distributions of Respondents According to Gender

Gender	Frequency	Percentage
Male	144	48%
Female	156	52%
Total	300	100%

Table 3 shows the gender distribution of respondents. It shows that female respondents were more than male respondents in the sample size of 300. The percentage of male and female respondents was 48% and 52 % respectively.

4.2.3 Marital Status

Designation is one of the most important characteristics in understanding the views about the particular problems. It has been categorized as married, unmarried and others. The table 4.2 shows that married were 93 and 201 were unmarried among the total respondents of 300.

Table 4 Distribution of Respondents on the basis of Marital Status

Marital Status	Frequency	Percentage
Married	93	31 %
Unmarried	201	67 %
Others	6	2 %
Total	300	100.00%

Table 4 displays the marital status of the participants. Out of the 300 total respondents, 201, or 67%, are not married. 31% of the respondents are married in total. Six individuals who participated in the survey are divorced.

4.2.4 Age

Age of the respondents is one of the most important characteristics in understanding the views about the particular problems. Table 4.2 shows the respondents on the basis of age. The table shows that 3 were below the age of 20, 255 were of age 21-40 and 42 were of age 41-60. The total respondents were 300.

Table 5 Distribution of Respondents According to Age

Age	Frequency	Percentage
Below 20	3	1%
21-40	255	85%
41-60	42	14%
Total	300	100%

Table 5 displays how respondents are distributed by age. The data demonstrates that there is a significant number of participants aged 21-40 in comparison to those in

other age brackets. 85% of the participants are aged 21-40, while only 1% are below the age of 20. The remaining 14% are between the ages of 41 and 60. This indicates that a large number of youthful participants have engaged in this study.

4.2.5 Education

Having a good education can greatly influence a person's perspectives and comprehension of social issues, making it crucial to consider the educational history of survey participants. The respondents' qualifications are divided into four groups: just literate, Below SLC, +2/Bachelor, and Master, as shown in table 4.4.

Table 6 Distribution of Respondents According to their Education

Level	Frequency	Percentage
Just Literate	5	1.7%
Below SLC	42	14%
+2/Bachelor	216	72%
Master	37	12.3%
Total	300	100.00%

Table 6 shows the distribution of qualification and percentage of respondents. The findings indicate that the majority of survey participants are at an Intermediate/Graduate level (72%), with Below SLC coming in at 14% and post-graduate at 12.3%. Just 1.7% of participants identified themselves as only literate in the entire group of 300 respondents.

4.2.6 Shopping Frequency

Understanding opinions about the particular issues are greatly influenced by how often someone goes shopping. The classification is based on how often it occurs: monthly, bi-monthly, tri-monthly, and over three times a month. Table 4.5 shows that out of 300 participants, 12 go shopping once a month, 42 go twice a month, 119 go three times a month, and 127 go more than three times a month.

Table 7 Distribution of Respondents on the basis of their shopping frequency

Shopping Frequency	Frequency	Percentage
Once a month	12	4%
Twice a month	42	14%
Thrice a month	119	39.7%
More than three times a month	127	42.3%
Total	300	100.00%

Table 7 shows how often the participants go shopping. 42.3% of respondents shop more than three times a month, which is a significant amount. Likewise, 119 individuals shop three times a month and 14% of the total respondents shop twice a month. Twelve participants indicated that they shop once every month. This indicates that the diversity among the respondents is perceived as enhancing the validity of the research due to the varying shopping habits exhibited by the participants.

4.2.7 Monthly Income

Monthly Income is one of the most important characteristics that might affect the person's purchasing capacity and choices.

Table 8 Distribution of Respondents on the basis of their monthly income

Monthly Income	Frequency	Percentage
Less than 25,000	83	27.7%
25,001-35,000	102	34%
35,001-55,000	74	24.7 %
Greater than 55,001	41	13.7 %
Total	300	100.00%

Table 8 shows the breakdown of respondents' monthly income in terms of frequency distribution and percentage composition. The findings indicate that a majority of participants earn between 25,000-35,000 (34%), while 27.7% have incomes below 25,000. 24.7% of individuals had a monthly income between 35,001 and 55,000. 13.7% were discovered to earn over 55,001 per month. This demonstrates that the

varied characteristics of the participants are acknowledged to enhance the credibility of the research.

4.2.8 Occupation

Occupation also affects the person’s purchasing capacity and choices based upon need and availability. The occupation is classified as illustrated in table 4.7

Table 9 Distribution of Respondents on the basis of their Occupation

Occupation	Frequency	Percentage
Student	54	18%
Household	31	10.3%
Employee	159	53 %
Business	56	18.7 %
Total	300	100.00%

The percent composition of respondents’ occupation is depicted in Table 9. The majority are involved as employee (53%). 18.7% have their own business and 18% are student. Rest 10.3% is actively working as household. This shows that the heterogeneous nature of the respondents is taken to make the research more valid.

4.3 Customer Perception and Product Range

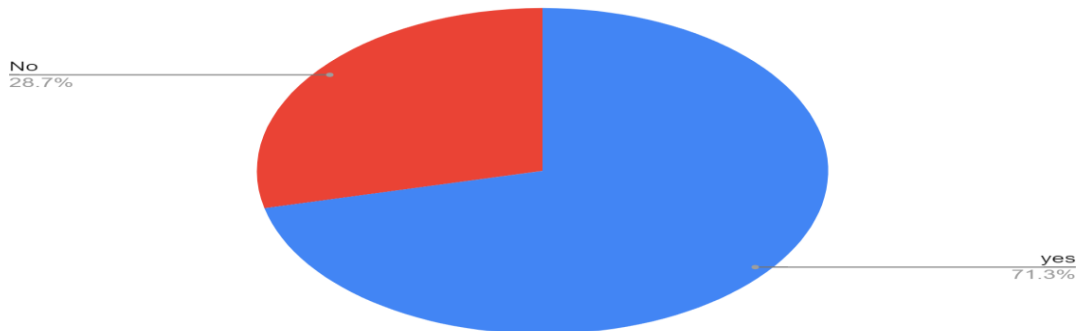
For supermarket to continue business regular customer base is the key. Customer perception plays key role in business of supermarket. The customer perception depends upon many things including variety, comfort, price and overall experience.

4.3.1 Supermarket and Variety of Product Range

Among the 300 respondent majority (71.3 percent) believe that supermarket offers variety of product range. This perception plays a major role in shopping satisfaction on supermarket

Figure 2 Supermarket and Variety of Product Range

Supermarket offers sufficient variety of product range?

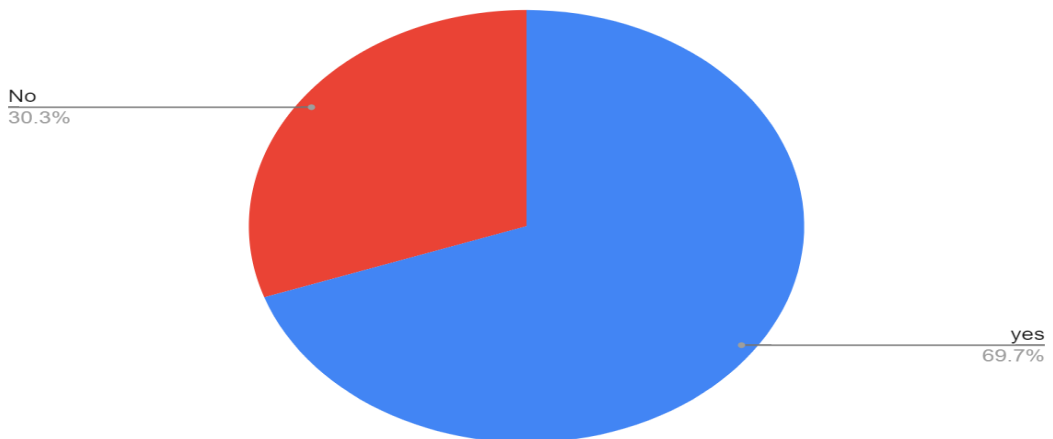


4.3.2. Shopping experience and waiting time

While shopping, waiting time at counter also affects the whole shopping experience.

Figure 3 Shopping Experience and Waiting Time

.Waiting time on counter impact your shopping experience?



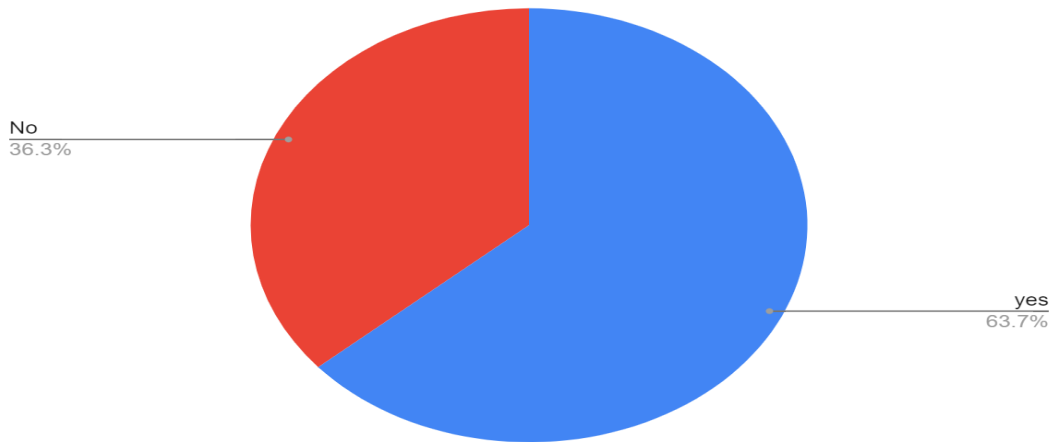
As shown in figure 3; most respondent (69.7 percent) answered that waiting time hampers their shopping experience.

4.3.3. Shopping experience and Size Options

When making a purchase, we always aim for the size that suits us perfectly. The supermarket offers a range of sizes and shapes of the same products to improve customer satisfaction. According to Figure 4, the majority of participants (63.7 percent) were successful in locating their size when shopping at the supermarket.

Figure 4 Shopping Experience and Size Options

It was easy for me to find something in my size?

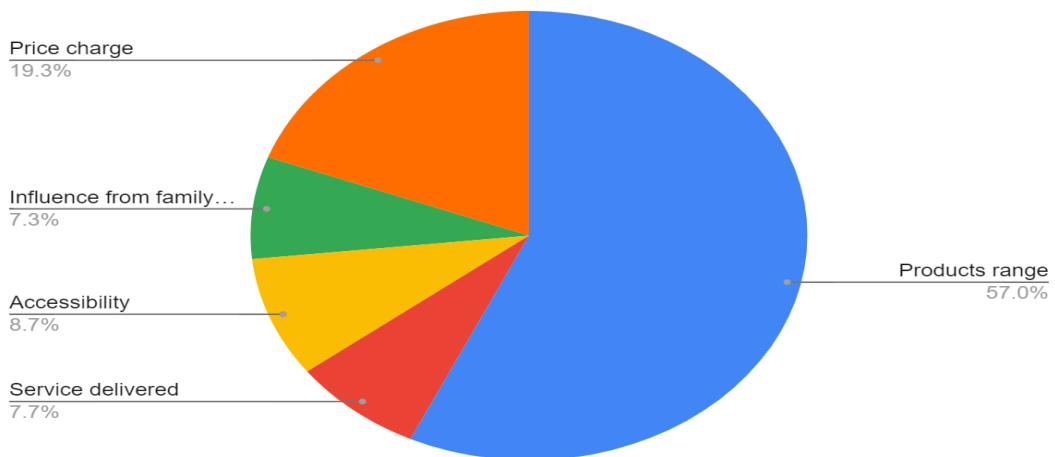


4.3.4. Reason for Choosing Supermarket

People have their own reason for shopping at supermarket

Figure 5 Reason for Choosing Supermarket

What is your reason for choosing Supermarket?



As per the respondents, majority (57.percent) chooses supermarket for product range, followed by 19.3% for good price. Accessibility is factor for 8.7%, and other choose supermarket for service and family influences.

4.4 Descriptive Analysis

This section focuses on analyzing the data obtained from the questionnaires used in the research. Descriptive analysis involves calculating statistical metrics like average,

standard deviation, as well as the highest and lowest values. These values aid researchers in examining data based on frequencies and aggregations in relation to research inquiries and variables. In order to achieve this goal, participants were presented with questions using the "Five Point Likert Scale" ranging from 1 (Strongly Disagree) to 5 (Strongly Agree). The detailed analysis was given in a chart and table for better comprehension. The combined percentage of Agreeing and Strongly Agreeing is calculated to evaluate the overall level of agreement, while the combined percentage of Disagreeing and Strongly Disagreeing is calculated to evaluate the overall level of disagreement.

4.4.1 Impact of Product, Price, Customer Interaction, Convenience, Services and Physical Appearance on Customer Satisfaction

This section provides the information on the customers' satisfaction level of Nepalese supermarkets. The respondents were asked questions regarding their view on the effect of product, price, personal interaction, convenience, services and physical appearance on customer satisfaction.

Table 10 Customer Satisfaction Related to Product

Statement	N	Min	Max	Mean	Std.Deviation
Products in supermarket are enduring	300	1	5	3.81	0.55
The supermarket has a variety of product range	300	1	5	3.99	0.83
I find goods with clear label and origin	300	1	5	3.92	0.81
I find branded goods in supermarket	300	1	5	3.86	0.78
I find fresh product in supermarket	300	1	5	3.79	0.76
Weighted Average Mean (Product)				3.87	

Overall, customers are mostly satisfied with supermarkets products, and the average rating is 3.87. Survey participants gave the highest rating to the range of products available (mean = 3.99), with clear labeling and origin of goods following closely behind (mean = 3.92). The durability, presence of well-known items, and freshness all

scored well (mean = 3.81, 3.86, and 3.79) demonstrating customers' overall satisfaction with product quality and selection.

Table 11 Customer Satisfaction Related to Price

Statement	N	Min	Max	Mean	Std.Deviation
Price of the product in the supermarket is competitive	300	1	5	3.97	0.89
Prices of products are economical	300	1	5	3.69	0.81
The product price is value for money	300	1	5	3.78	0.82
Price of product is affordable to customer	300	1	5	3.75	0.82
The product price is good during special offers	300	1	5	3.89	0.85
Weighted Average Mean (Price)				3.82	

In terms of pricing, the supermarket's weighted average mean score was 3.82. Customers considered the product prices to be competitive, with a mean score of 3.97, and valued the quality for the price, with mean score of 3.78. Although the affordability and economic aspect of prices were acknowledged with means of 3.75 and 3.69, special deals also had a positive impact on satisfaction with a mean of 3.89. In general, customers perceive the pricing as both fair and competitive.

Table 12 Customer Satisfaction Related to service

Statement	N	Min	Max	Mean	Std.Deviation
Employees are polite and friendly	300	1	5	4.12	0.84
Employees provide accurate information	300	1	5	3.91	0.83
Employees are willing to help customers	300	1	5	3.98	0.84
Employees are available when needed	300	1	5	3.86	0.81
Employees are knowledgeable about products	300	1	5	3.87	0.82
Weighted Average Mean (Service)				3.95	

Customer satisfaction with service was notably high, with a weighted average mean of 3.95. The politeness and friendliness of employees received the highest rating (mean = 4.12), followed by their willingness to help (mean = 3.98). The accuracy of information provided by employees, their availability, and product knowledge were also well-rated (means = 3.91, 3.86, and 3.87 respectively), demonstrating strong customer approval of the service quality.

Table 13 Customer Satisfaction Related to store Environment

Statement	N	Min	Max	Mean	Std.Deviation
The store layout is attractive	300	1	5	4.03	0.81
The store is clean and tidy	300	1	5	4.05	0.86
The store is spacious	300	1	5	3.96	0.79
The store has adequate lighting	300	1	5	4.02	0.81
The store is well-ventilated	300	1	5	4.01	0.82
Weighted Average Mean (Store Environment)				4.01	

The highest overall satisfactions score was given to the store environment, with a weighted average mean of 4.01. The cleanliness and tidiness of the store received a high rating of 4.05, as did the attractiveness of the store layout with a rating of 4.03. Customers highly valued the store's physical environment, with good lighting, ventilation, and spaciousness receiving average scores above 3.9.

Table 14 Customer Satisfaction Related to convenience

Statement	N	Min	Max	Mean	Std. Deviation
The store location is convenient	300	1	5	4.10	0.84
The store hours are convenient	300	1	5	4.12	0.83
The store provides convenient parking	300	1	5	4.00	0.81
The store offers home delivery	300	1	5	3.88	0.80
The store provides online shopping	300	1	5	3.85	0.79
Weighted Average Mean (Convenience)				3.99	

The supermarket's convenience aspects received a high scorer, averaging 3.99. Customers discovered that the store's location and operating hours were highly convenient (means = 4.10 and 4.12). Positive ratings were given to parking convenience and home delivery services (means = 4.00 and 3.88 respectively), as well as to the availability of online shopping (mean = 3.85). This suggests the supermarket is conveniently reachable and provides adaptable shopping choices.

Table 15 Customer Satisfaction Related to Loyalty Programs

Statement	N	Min	Max	Mean	Std.Deviation
The loyalty program is rewarding	300	1	5	3.92	0.80
The loyalty program offers good discounts	300	1	5	3.94	0.81
The loyalty program is easy to understand	300	1	5	3.90	0.79
The loyalty program offers exclusive deals	300	1	5	3.88	0.78
The loyalty program encourages frequent shopping	300	1	5	3.91	0.80
Weighted Average Mean (Loyalty Programs)				3.91	

The loyalty programs were mostly positively accepted, receiving an average rating of 3.91. The discounts and rewards offered were highly valued (ratings = 3.94 and 3.92). Receiving positive ratings were the ease of comprehension of the loyalty program, special offers, and motivation for regular purchases (means = 3.90, 3.88, and 3.91). These scores indicate that customers value loyalty programs and they help in keeping customers.

These tables dissect the data for every section, offering a precise look at the average and deviation for each statement.

4.4.2 Correlation Analysis

Having indicated the descriptive statistics, Kendall's correlation coefficients are computed and the results are presented in Table 16. More specifically, it shows the correlation coefficients of dependent and independent variables for responses regarding the customer satisfaction.

Table 16 Correlation coefficients of study variables

	<i>CS</i>	<i>PRO</i>	<i>PRI</i>	<i>CI</i>	<i>CO</i>	<i>SE</i>	<i>PA</i>
CS	1						
PRO	0.290609	1					
PRI	0.388534	0.355372	1				
CI	0.33141	0.228163	0.284155	1			
CO	0.306851	0.203087	0.328476	0.490296	1		
SE	0.280712	0.246843	0.40425	0.450187	0.44826	1	
PA	0.471956	0.295824	0.435679	0.485043	0.463299	0.449812	1

Notes: Data were collected from questioner survey and results drawn from Excel 2020

Table 16 reveals the positive relationship of product with customer satisfaction. This means that better product leads to increase in customer satisfaction. Likewise, the study shows a positive relationship of price with customer satisfaction which indicates that price of the product in the supermarket leads to increase in the customer satisfaction. Similarly, the result also shows the positive relationship of customers interaction with customer satisfaction. This indicates that better personal interaction leads to higher customer satisfaction. The correlation matrix also shows a positive relationship of convenience with customer satisfaction which reveals that if the customer feels convenient in the market, then it leads to higher customer satisfaction. Likewise, the study shows a positive relationship of physical appearance with customer satisfaction indicating that if the product is exposed clearly or well managed, higher would be the customer satisfaction. Also, the correlation matrix shows that there is positive relationship between service and customer satisfaction which reveals that better service leads to a higher satisfaction to the customer in the supermarket.

4.4.3 Regression analysis

This part focuses on regression outcomes from different model specifications to analyze the estimated connection between customer satisfaction and product, price, personal interaction, convenience, physical appearance, and service in supermarkets.

Table 17 Regression of study variables

<i>Regression result of study variable</i>	<i>Coefficient</i>	<i>Standard Error</i>	<i>t Stat</i>	<i>P-value</i>
Intercept	1.541654	0.257006	5.998507	5.86E-09
PRO	0.110958	0.054264	2.044774	0.04177
PRI	0.158206	0.050426	3.137384	0.001878
CI	0.072033	0.047416	1.519174	0.129797
CO	0.040842	0.052361	0.780006	0.436017
SE	0.01633	0.050847	0.3212	0.748289
PA	0.256336	0.054022	4.74506	3.26E-06
$R^2=0.285$ $Adj R^2=0.2708$ $Fstat=19.51$ $Significance= 0.00037$				

Notes: Data were collected from questioner survey and results drawn from Excel 2020

Table 4.15 indicates that the beta values are positive for product when it comes to customer satisfaction. The R² value is 0.285, Adj-R² is 0.2708, and F stat is 19.51. The independent variable explains 28.5% of the CS value, while specifically only 27.08% is explained by independent variables. It suggests that the product positively affects customer satisfaction. This discovery aligns with the results of Fornell's study from 1992. Similarly, the findings also indicate that the beta values for price exhibit a positive relationship with customer satisfaction. It shows that customer satisfaction is positively influenced by the price. This discovery is comparable to any of Wen-Shinn Low et al.'s (2013) findings. Likewise, customer satisfaction shows positive beta coefficients with customer interactions. It suggests that customer satisfaction is

positively affected by personal interaction. This discovery aligns with the research of Wen-Shinn Low and colleagues in 2013.

The outcome shows that customer satisfaction is positively correlated with beta coefficients for convenience. Customer satisfaction is positively influenced by the convenience provided to customers. This discovery aligns with Nguyễn Thị Thu Throng's (2016) research. Similarly, the way someone looks can positively influence customer satisfaction. This discovery aligns with the study by Parasuraman et al. (1988). Additionally, the findings show that the beta values for service exhibit a positive relationship with customer satisfaction. It shows that customer service has a beneficial effect on customer happiness. This discovery aligns with Agbor's (2011) findings.

4.5 Discussion

This research predominantly examined how shopping factors affect customer satisfaction at supermarkets in Nepal. This research utilized various elements such as product, pricing, customer engagement, convenience, physical presentation, and service. Customer satisfaction is the variable that depends on other factors. The findings reported in this research are derived from the grocery store located in Kathmandu Valley.

The majority of respondents are male (48 percent), with the remainder being female in the respondent's profile. The age group 21-40 years is where most respondents, specifically 255 out of 300 (85%), fall into. 3 out of 300 respondents (1%) are under 20 years old. Additionally, 42 participants, which make up 14% of all participants, are between the ages of 41 and 60. The research indicates that most of the participants (216) make up 72% of the total participants, possess a +2/bachelor's degree, with 42 participants holding below SLC accounting for 14% of the total participants. On the other hand, only 5 participants, representing 1.7%, have basic literacy skills, while 37 participants (12.3%) have obtained a master's degree. The majority of participants (201) are not married. Likewise, 93 participants (31%) are currently spouses, while 6 participants are divorced.

Out of 300 participants, 127 individuals shop over three times a month, which is equivalent to 42.3%. Likewise, 119 participants (39.7%) shop three times a month and 14% shop twice a month. Once a month, twelve participants (4%) engage in shopping.

The majority of participants earn between 25,000-35,000 (34%), with 27.7% (83 participants) earning less than 25,000. Out of the total number of respondents, 74 individuals, making up 24.7%, reported a monthly income between 35,001 and 55,000. Out of the total 300 respondents, 122 (41%) were discovered to earn a monthly income exceeding 55,001. Among them, 159 individuals (53%) are employed, while 18.7% are self-employed. Out of the total respondents, 54 (18%) are students. 31 individuals participate in their household tasks.

Out of the 300 participants, 71.3% are of the opinion that supermarkets provide a wide range of products. When it comes to waiting, 69.7% of people say that waiting at the counter disrupts their shopping experience. 63.7% of participants stated that supermarkets offer a diverse selection of sizes and shapes to meet their specific needs. Most people (57%) prefer supermarkets because of the variety of products they offer, while others (19.3%) are attracted by their competitive prices. Accessibility accounts for 8.7% of the reasons why people choose a specific supermarket, while 7.7% choose based on the service provided and 7.3% are influenced by their family.

The correlation matrix shows a favorable connection between the product and customer satisfaction. The outcome indicates that customer satisfaction is positively influenced by price, customer interaction, convenience, and physical appearance. Additionally, the findings indicate that customer satisfaction is influenced positively by the level of service provided.

The regression analysis results indicate that the beta coefficients for the product have a positive relationship with customer satisfaction. It suggests that the product positively affects customer satisfaction. Similarly, the findings also indicate that the beta values for interpersonal communication have a positive correlation with customer

satisfaction. It shows that customer satisfaction is positively affected by personal interaction. Likewise, customer satisfaction generates positive beta coefficients for convenience. It suggests that convenience practices have a favorable effect on customer happiness.

The outcome also shows that physical appearance has positive beta coefficients in relation to customer satisfaction. It shows that the physical appearance of the product has a beneficial effect on customer satisfaction. Similarly, the positive beta values of price suggest that price directly contributes to customer satisfaction.

After completing the full data analysis, the initial hypothesis (H1) concerning the positive correlation between the product and customer satisfaction is supported. The research indicates that a high-quality product leads to increased customer satisfaction. In the same way, the second hypothesis (H2) which focuses on the positive connection between price and customer satisfaction is supported.

Likewise, hypothesis three (H3) regarding the positive correlation between customer interaction and customer satisfaction is rejected due to being statistically insignificant ($p = 0.129$). In the same way, the fourth hypothesis (H4) regarding the positive correlation between convenience and customer satisfaction is not supported due to its lack of statistical significance ($p=0.436$). The fifth hypothesis (H5) is confirmed because there is a direct correlation between physical appearance and customer satisfaction. Once the products are physically displayed in the supermarket, customer satisfaction levels rise. The sixth hypothesis (H6) that states service is positively related to customer satisfaction is rejected due to its lack of statistical significance ($p=0.748$).

CHAPTER 5

CONCLUSIONS

This section provides a concise overview of the entire research. It also points out the main discovery of the research. Furthermore, the key findings are addressed in a distinct section within this chapter. Similarly, suggestions concerning the research are also outlined in a distinct part of this chapter. Finally, the chapter concludes with the exploration of potential areas for future research within the same field.

5.1 Summary

Today, businesses must shift their focus from products to customers in order to succeed. This task is becoming harder as customers are now more sophisticated, knowledgeable, and well-informed. They hold high hopes for the service they expect to receive. They desire more options and refuse to be influenced or persuaded into buying something. Hence, nowadays customers are eager to receive personalized treatment. They desire to be appreciated and to sense the significance of their patronage. Complete customer care can only happen when both the needs of internal and external customers are taken into accounts. Factors such as tangibility, reliability, responsiveness, assurance, empathy, and security influence whether customer service meets customers' expectations. Nevertheless, a dedicated employee puts in effort both mentally and emotionally to provide top-notch service for the customer. The thesis aimed to study the factors that influence customer satisfaction and loyalty, in order to enhance tangibility, reliability, responsiveness, assurance, empathy, and security.

The constant and rapid changes has become a significant issue in supermarkets due to the continual rise in global competition, advancing technology, and increasing customer service expectations. In the current world, companies are functioning in a fiercely competitive and globalized setting. Survival is a major priority for numerous businesses, as they are continuously looking for ways to gain a competitive edge through the use of key ingredients (Jayasingam & Yong, 2013). In modern times, microfinance institutions realize that simply satisfying customers is not enough to attract good ones. They understood the importance of creating innovative approaches and recognized the need for a significant transformation in this regard. If not, it is probable that their rivals will uncover the hidden potential of methods and act swiftly.

The quality is seen as the outcome of a subjective evaluation in which the customer measures their expectations against the actual outcome. Additionally, a greater level of customer satisfaction does not always come from a higher product quality (Oliver, 1980). We can agree with the statement, except that increased customer satisfaction does not always equate to higher perceived product quality for a particular consumer. She also discusses important elements that impact customer happiness and that can be utilized to gauge customer contentment. These elements consist of: product, pricing, customer service, distribution, and reputation (Zamazalová, 2008).

Customer satisfaction and loyalty are important constructs that have had an impact on administrative concepts since the 1990s. Companies should focus on customer loyalty as a main strategy for future growth and improvement, as loyal customers can provide valuable services. (Vilares & Coelho, 2003) In a study conducted by Srivastava & Rai (2013) on the life insurance sector in India, it was discovered that customer satisfaction plays a crucial role in customer loyalty. Additionally, the quality of service is closely linked to customer satisfaction, which in turn influences customer loyalty.

The primary objectives of the research is to analyze and evaluate the impact of shopping elements on customer contentment in Nepali grocery stores. The study aimed to identify how factors such as product, price, personal interaction, convenience, physical appearance, and service impact customer satisfaction in Nepalese supermarkets. It also aimed to analyze the correlation between these factors and to identify the most significant factor in defining customer satisfaction in Nepalese supermarkets.

The participants in the research are the supermarket's clientele. An analysis was conducted on the viewpoints of 300 respondents to understand how customer perceive shopping elements and their effect on satisfaction in Nepalese supermarkets. In Nepalese supermarket, a non-parametric test like Kendall's tau-b and step-wise regression was carried out to examine how shopping factors are related to customer satisfaction. The descriptive research design was carried out to gather information on various variables. The research centers on analyzing primary data collected through online distribution of questionnaires. 300 samples are collected for the studies based on the population.

Summary of the key findings of this study is based on the analysis of data.

1. Majority of the respondents are female (47.6 percent) and the rest of the respondents are female (52.4 percent)
2. Majority of the respondents fall under the age group of 21-40 years (85 percent) followed by age group of 41-60 years (14 percent), and below 20 years (1 percent).
3. Among total respondents, majority of the respondents (216 respondents) constituting 72% of total respondents hold +2/bachelor's degree, which is followed by master degree 37 respondents constituting 12.3% of total respondents, However, only 5 respondents constituting 1.7% and 42 respondents constituting 14% just literate and below SLC respectively.
4. Majority of the respondents i.e. 127 have a shopping habit of more than three times in a month which is 42.3 percent of total respondents. Also, 42 respondents have a shopping habit of twice in a month and more than thrice a month which is 42.3 percent. Similarly, 12 respondents have a shopping habit of once a month which is 4 percent of total respondents.
5. Weighted average mean for product is 3.87 which indicates that product in the context of Nepalese supermarket has been executed properly. This also indicates that in Nepalese supermarket customers are satisfied in overall basis. Therefore product variable have significant effect on customer satisfaction.
6. Weighted average mean for price is 3.87 which indicates that price in the context of Nepalese supermarkets has been executed satisfactory. This also indicate that in Nepalese supermarket customers are satisfied and the price in the context of Nepalese supermarket is good.
7. Weighted average mean for customers interaction is 3.70 which indicate that personal interaction in the context of Nepalese supermarket has been implemented satisfactory. This also indicates that Nepalese supermarket's personal interaction is satisfactory.
8. Weighted average mean for convenience is 3.85 which indicates that convenience in the context of Nepalese supermarket has been performed properly. Thus, it can be concluded that convenient practices is good. Customers are satisfied with the convenience.

9. The weighted average mean for physical appearance is 3.89 which indicates that physical appearance in the context of Nepalese supermarket has been executed properly. Thus, it can be concluded that customers are satisfied with the supermarket.
10. The weighted average mean for service is 3.97 which indicate that customer in the context of Nepalese supermarket has been satisfactory. Thus it can be concluded that customers are satisfied with their jobs.
11. Weighted average mean for customer satisfaction is 3.52 which indicate that customer satisfaction towards their supermarket in context of Nepal has been better. This also indicates that customers' perception toward their organization is good and they are satisfied with it.
12. The result of correlation analysis show that product, price and personal interaction have positive relationship with customer satisfaction.
13. The result of correlation analysis also show that convenience, physical appearance and service have positive relationship with customer satisfaction.
14. The results of regression analysis shows that the beta coefficients for product are positive with customer satisfaction. It indicates that the product has a positive impact on customer satisfaction.
15. Likewise, the result also shows that the beta coefficients for price are positive with customer satisfaction. It reveals that price has a positive impact on customer satisfaction.
16. In t, the beta coefficients for personal interaction are positive with customer satisfaction. It indicates that there is a positive impact of personal interaction on customer satisfaction.
17. The results also reveal that the beta coefficients for convenience are positive with customer satisfaction. It reveals that convenience have a positive impact on customer satisfaction.
18. Likewise, the positive beta coefficient of physical appearance indicate that better physical appearance has a positive impact on customer satisfaction.
19. Also, the result reveal that the beta coefficient for service is positive with customer satisfaction. It reveals that service have a positive impact on customer satisfaction.

20. Among all the independent variables, price, personal interaction and service are the major determinants of customer satisfaction in Nepal.

5.2 Conclusion

The research indicates that customer satisfaction is positively influenced by price, product, and personal interaction. Similarly, customer satisfaction is enhanced by convenience, physical appearance, and service. The research also shows that customer satisfaction is greatly increased by service and convenience.

The research finds that improved pricing and product visibility impact customers at Nepalese supermarkets. In the same manner, the research also finds that the employee's personal interaction and the convenience of finding products in the supermarket are key factors influencing customers.

5.3 Recommendations

On the basis of the findings of the study, the following recommendations are made for further improvement on the supermarket of Nepal in order to increase customer satisfaction in the context of Nepalese supermarket.

- i. The study observed a positive relationship of price with customer satisfaction. Hence, the supermarket willing to increase customer satisfaction level should focus more on price factors.
- ii. Based on the study, the super market willing to increase customer satisfaction level should focus on product. Since, the study observed a positive relationship between product and customer satisfaction.
- iii. The study found that personal interaction is positively related to customer satisfaction. Hence, the supermarket willing to increase customer satisfaction level should focus more on providing better conversation and interaction with the customers.
- iv. The study found that convenience and customer satisfaction are positively related and hence the supermarket willing to increase customer satisfaction level should focus more on providing convenient facility which will be beneficial and acceptable to the customers.

- v. The study observed that physical appearance and customer satisfaction are positively related and hence the supermarket willing to enhance customer satisfaction should focus more on physical appearance or tangibility of the products.
- vi. The study also found that service and customer satisfaction are positively related and hence the supermarket willing to increase customer satisfaction level should focus more on the services that is provided to the customers which will be beneficial to the customers and indirectly to the supermarket.

5.4 Scope for future research

This study has tried to cover the issues related to the impact of shopping factors on customer satisfaction. Therefore, further studies can be carried out on the basis of the findings of this study. Some of the future scopes of this study are listed as below:

- i. In this study, only supermarkets' customers were taken as sample respondents, where further studies can include other markets like department stores, grocery shops and local shops to grab wider view of internal marketing and customer satisfaction.
- ii. Only Six dimensions of supermarkets were derived to determine its effect on customer satisfaction. Beside these factors the various attribute of the service quality such as reliability, assurance and various other variables could be taken at once.
- iii. This study has taken only primary data as sample. Academicians are suggested to take secondary data as a sample for more convenient result.
- iv. There are only few research works related to customer satisfaction and features of supermarket. This study can assist other researchers when conducting similar kinds of research works. As in this study there are numbers of prospective matter to be researched from the findings generated from this research work.
- v. The sample size undertaken for this research was very limited, so that in future other researchers could select more number of samples so that the better and more reliable result could be achieved.

- vi. Therefore in future more professional research should be conducted so that more accurate information could be gained and that will be helpful for the concern party to gain insights about factors leading to customer satisfaction.

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APPENDIXES:

Customer Satisfaction: A Study of Supermarkets in Nepal

Dear Respondent,

I am pleased to inform you that I am undertaking a Graduate Research Project entitled “**Customer Satisfaction: A Study of Supermarkets in Nepal**” under the guidance of Prof. Dr. Yuga Raj Bhattarai to meet the partial fulfillment of the requirement for the Master Degree in Business Administration (MBA) from Excel Business College, Tribhuvan University. I kindly request you to fill up this questionnaire with your valuable attention and co-operation, which will help me to complete my research work effectively and efficiently.

I would also like to assure you that all information contained in this questionnaire will be kept confidential and used only at the aggregate level for research purpose. Your kind cooperation will be highly appreciated.

Thanking you.

Nabin Prasad Mainali (MBS Finance)

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Section A: Respondent profile

1. Name (Optional).....
2. Province : a) b) c) d) e) 5 f) 6 g) 7
3. Gender: Male Female Other
4. Marital Status: Married Unmarried Divorced
5. Please tick the appropriate options below:

Age	Education	Shopping Frequency	Monthly income	Occupation
<input type="checkbox"/> Below 20	<input type="checkbox"/> Literate	<input type="checkbox"/> Once a month	<input type="checkbox"/> Less than 25,000	<input type="checkbox"/> Household
<input type="checkbox"/> 21-40	<input type="checkbox"/> Below	<input type="checkbox"/> Twice a month	<input type="checkbox"/> 25,000-35,000	<input type="checkbox"/> Student

	S.L.C			
<input type="checkbox"/> 41-60	<input type="checkbox"/> +2/Bachelor	<input type="checkbox"/> Thrice a month	<input type="checkbox"/> 35,001-55,000	<input type="checkbox"/> Business
<input type="checkbox"/> 61 or above	<input type="checkbox"/> Master Above	<input type="checkbox"/> More than thrice a month	<input type="checkbox"/> 55,001 and above.	<input type="checkbox"/> Employee

Section B : Customer perception and product range

1. Supermarket offers sufficient variety of product range?
a) Yes b) No
2. Waiting time on counter impact your shopping experience?
a) Yes b) No
3. It was easy for me to find something in my size?
a) Yes b) No
4. What is your reason for choosing Supermarket? (Multiple Choice)
a) Influence from family and friends b) Product range
c) Price charged d) Accessibility
e) Service delivered

Section C: Factors influencing customer satisfaction in Nepalese Supermarket

This section is seeking your opinion regarding the factors that influence customer satisfaction in Nepalese Supermarket. Respondents are asked to indicate the extent to which they satisfied or not satisfied with each statement using 5 Likert scale [(1) = Strongly Agree; (2) = Agree; (3) = Neutral; (4) = Disagree and (5) = Strongly Disagree] response framework.

Please TICK [√] one number per line to indicate the extent of your satisfaction with following statements.

Factors Satisfaction in Nepalese Supermarket						
S.N.	Product	1	2	3	4	5
1	Products in supermarket are enduring.					
2	The supermarket has a variety of product range.					

3	You find goods with clear label and origin in supermarket.					
4	You find branded goods in supermarket.					
5	You find fresh product in supermarket.					

S.N.	Price	1	2	3	4	5
1	Price of the product in the supermarket is competitive.					
2	Supermarket provides special discounts on special occasions.					
3	Membership card is available and effective.					
4	The actual prices of the products in the supermarket are hidden.					
5	The price made me to buy the product in supermarket.					

S.N.	Customer Interaction	1	2	3	4	5
1	Staffs have enough knowledge to answer your questions.					
2	Staff response to your quires quickly.					
3	Staff assistance during purchase is good.					
4	The billing system is correct and effective.					
5	The staff always deals with a hospitality manner.					

S.N.	Convenience	1	2	3	4	5
1	Location of supermarket is easily accessible.					

2	Convenient and safe parking facility is available.					
3	Mode of payment is flexible (Credit Cards, Debit Cards, Credit Facilities, Phone pay).					
4	Supermarket has good returns policies.					
5	Extra facilities such as washroom are easily accessible within premises.					

S.N.	Facility and Service	1	2	3	4	5
1	Children play zone is available.					
2	Home Delivery service is available.					
3	Food courts are easily accessible within premises.					
4	Security of supermarket is reliable.					
5	All the products needed are available in the supermarket.					

S.N	Physical Appearance	1	2	3	4	5
1	Cleanliness of the store is satisfactory.					
2	Shop floor is very spacious (lot of space).					
3	Color and background music is good.					
4	Layout facilitates to find out the products easily.					
5	Supermarket has relaxing benches.					

Section D: Customer Satisfaction regarding supermarket

Customer Satisfaction regarding supermarket						
S.N.	Customer Satisfaction	1	2	3	4	5
1	I think shopping in this supermarket is a right decision.					
2	I often buy the products from the same supermarket.					
3	I usually talk about the supermarket with my family and friends.					
4	The supermarket aims to satisfy me as a customer.					
5	I will recommend other people to buy the products from the supermarket.					

THANK YOU!!!

CHAPTER 1

INTRODUCTION

1.1 Background of the Study

In today's business world, customer satisfaction is crucial for a company's performance. Because of the fierce competition in all product categories, businesses find it increasingly challenging to keep customers loyal for extended periods. Customer satisfaction greatly impacts a company's marketing strategy. Firms continue to grow and succeed by satisfying their customers. The sole requirement for the business owner to accomplish this is to "Maintain customer happiness."

Eggert and Ulaga (2002) observed a resurgence in interest in the value concept from marketing researchers and practitioners in recent years. Despite a growing body of research, the relationship between value and other marketing concepts is still not well understood. Researchers have urged for an investigation into the correlation between customer satisfaction and customer value to tackle the ambiguities surrounding both concepts. The investigation seeks to establish whether customer value and satisfaction are separate concepts, both in theory and in practice. Measuring customer satisfaction is essential because it has a major influence on both long-term company performance and customer buying habits. Many scholars agree that maintaining high levels of customer satisfaction leads to greater customer loyalty and enhanced reputation (Fornell, 1992; Anderson & Sullivan, 1993; Wangenheim & Bayon, 2004).

The consumer's post-purchase evaluation of the overall service experience, determining whether their needs and expectations were met or exceeded, is known as satisfaction (Abubakar et al., 2001). Customer satisfaction is considered a crucial factor in the success of a business strategy in retailing, as it determines the ability of firms to remain, grow, and develop successfully (Thurong, 2016). Retailers analyze customer satisfaction to identify methods for expanding their customer base, fostering customer loyalty, increasing revenue and profits, enhancing market share, and ensuring survival (CSSP, 2007). According to Bigné et al. (2005), satisfaction is characterized as an individual's emotions of pleasure, excitement, delight, or disappointment resulting from comparing a product's perceived performance to their expectations. The comparison between a

product's perceived performance and customer expectations often leads to disappointment. Customers play a crucial role in the grocery retail sector, and researchers consistently emphasize their importance. According to Tse & Wilton (1988), customer satisfaction is the assessment of the perceived gap between prior expectations and the actual product performance. Similarly, Zairi (2000) emphasized that customers are the cornerstone of our work, and our success depends on them. Customers should not be seen as a problem, as dismissing them could jeopardize our future and security. This is the reason why organizations today are focusing on customer satisfaction and loyalty.

The perks of satisfying customers include boosts in revenue, reductions in customer-related transaction costs, and diminished price sensitivity among repeat purchasers (Lewin, 2009). To foster strong customer relationships, businesses should consistently prioritize listening to customers' needs, desires, concerns, and requests. Offering polite suggestions, delivering on promises, and going the extra mile, such as by establishing an effective customer service team, constitute best practices to retain them for the long term. Contented customers equate to sustained profitable business as they demonstrate loyalty to the company (Gumesson, 2002).

Customers' satisfaction with a company's products and services is the most important factor in achieving competitiveness and success (Hennig-Thurau & Klee, 1997). Nearly all company's profits are influenced by positive customer experiences. If customers think a product/service is good, they typically tell about nine to ten people. Reck (1991) suggests that around half of American business relies on informal communication known as "word-of-mouth." In a competitive industry, satisfying customers is crucial to differentiate oneself, as shoppers frequently frequent their preferred grocery store every week and make larger purchases then.

The above discussion emphasizes the significance of studying how shopping impacts customer happiness. Although research has been conducted in many countries, recent findings related to Nepal are lacking. Hence, the focus of this study will be on the contentment of clientele in grocery stores within Nepal.

1.2 Problem Statement

The level of satisfaction of the customer is determined by the quality and pricing of the products they want. In addition, Bei & Chiao (2001) found that consumer satisfaction is highly influenced by product quality and price. However, Khan & Ahmed (2012) stated that the satisfaction of consumers is heavily influenced by the quality of the product. Furthermore, Ehsani & Ehsani (2015) discovered that price has the potential to improve both profitability and customer satisfaction. The value given to the customer is another factor that impacts customer satisfaction. Ma & Ding (2020) stressed that fulfilling customer needs by providing value can result in customer contentment. In the same way, Sugiarti (2013) stated that offering better customer value than rivals can result in higher customer satisfaction and loyalty. Multiple experts believe that product quality, price, and customer value all have an impact on customer satisfaction.

Ensuring customer satisfaction is vital for businesses in all industries, driven by a focus on customers and the fundamental values of continuous improvement in contemporary companies. A customer refers to an individual or an organization that purchases the goods or services produced by a business. Businesses target customers as they are the ones who buy goods and create demand. Businesses often follow the principle that "the customer is always right" because happy customers are more inclined to buy products and services again. In today's cutthroat business environment, guaranteeing customer happiness is crucial for a thriving company. Ensuring customer satisfaction is essential for a prosperous and thriving business. It has been linked to higher profit margins and increased employee satisfaction, as well as better customer loyalty, retention, and repeated purchases. When considering financial worth, it is evident that placing customer satisfaction as the top priority is crucial for business success. Satisfied customers will return for additional purchases, recommend your business to others, decrease selling expenses, and reduce service costs. In other words, companies that regularly track customer satisfaction levels are also keeping a close eye on their ongoing profits.

There are many factors that impact customer satisfaction. A. According to Hokanson (1995), these factors include being friendly, knowledgeable, and accommodating staff, accurate and timely billing, fair prices, efficient service, and excellent value overall. In

order to make sure customers are satisfied, businesses must fulfill the wants and requirements of their customers (La Barbera & Mazursky, 1983).

Clarke (2001) suggests that a company focusing on pleasing customers might end up losing its distinctive identity if customers only view it as meeting the industry's fundamental requirements. In a competitive market, suppliers have to do more than just satisfying customers' requirements in order to keep their loyalty and ward off competitors. Supermarket shopping is often categorized as a self-service retail environment. Tracking customers' satisfaction levels with the main aspects of the supermarket environment is essential for supermarket retailers in order to build stronger relationships. The objective of the retailer is to decrease reasons for complaints and dissatisfaction, as well as the costs linked to implementing a service recovery strategy (McCollough et al., 2000). Consumer satisfaction is the evaluation of the entire service experience by a customer post-purchase. It involves fulfilling or exceeding the customer's needs, desires, and expectations during their service interaction in an emotional way (Lovelock, 2001).

Although many studies have examined the correlation between price and customer satisfaction, every organization is unique in its own way, even if they have similarities in some areas. The time period, place, and general operating conditions are expected to differ as well. Furthermore, the influence of the price of a product or service on customer satisfaction, an important component of the marketing mix, has not been thoroughly studied. Hence, it is reasonable to conduct research on the impact of price, product, personal interaction, convenience, services, and physical appearance on customer satisfaction in different supermarkets in Nepal.

The inquiry is analyzing the current levels of customer satisfaction. The study examines different shopping aspects that have a direct influence on customer satisfaction. Some research has shown that inferior products are being authorized for purchase, causing doubt.

This study is directed to resolve the following issues:

- a) What is the existing level of customer satisfaction, product, price, customer interaction, convenience, service/facilities and physical appearance in Nepalese Supermarket?

- b) Is there any association among customer satisfaction, product, price, customer interaction, convenience, service/facilities and physical appearance in Nepalese Supermarket?
- c) What is the effect of product, price, customer interaction, convenience, service/facilities and physical appearance on customer satisfaction in Nepalese Supermarket?

1.3 Objectives of the Study

The purpose of the studies are as follows.

The Specific Objectives are:

- Assessing customer satisfaction in Nepalese Supermarket by examining product quality, pricing, customer service, convenience, and store appearance.
- To evaluate how customer satisfaction is related to the product, price, customer interaction, convenience service/facilities, and physical appearance in Nepalese Supermarket.
- To investigate how product quality, pricing, customer engagement, convenience services/facilities, and store appearance impact customer satisfaction in Nepalese Supermarkets

1.4 Rationale of the Study

The importance of this research is to identify the essential factors needed to meet customer demands, ensuring their satisfaction, ultimately helping a store develop improved marketing strategies and customer service to stay competitive. By gaining a deeper understanding of how customers perceive things, companies can identify the necessary steps to fulfill their needs. They are able to recognize their strengths and weaknesses, assess their position relative to their competitors, map out the future direction for progress and enhancements in the work methodologies and processes employed in the organization.

The sales and market managers can utilize this research to assess the effectiveness of their market strategies and sales techniques. Furthermore, they can utilize the findings of this research to enhance their understanding of the actual needs and desires of customers while they are shopping in any grocery store. In order for supermarket owners to

understand the crucial factors that impact customer satisfaction, this knowledge will assist in boosting sales and ultimately generating more profits. Managers can use this research to tailor the Services, Personal interaction, Convenience, Product, Price, and Physical appearance to better meet customers' preferences.

This research on "factors affecting customer satisfaction with multiple regular customer cards" will be a foundation for future studies for students exploring consumer decision-making. Additionally, the results of the study will provide competitors with an understanding of how they can recognize and maintain their customer base. The findings of this research could also assist competitors in enhancing their methods for forecasting the factors that impact customer satisfaction.

1.5 Limitations of the Study

This research on customer contentment in supermarkets in Nepal highlights various constraints that need to be recognized.

Sample Size and Diversity: This study only included a specific number of supermarkets and customers from a particular region in Nepal. This limited sample might not accurately reflect the range of supermarket customers nationwide. Therefore, the results may not be applicable to supermarkets in different areas or to the wider population of Nepal.

Cross-Sectional Design: The research employed a cross-sectional design, gathering information at one specific moment. This design restricts the capacity to measure shifts in customer satisfaction or comprehend the lasting effects of different factors on satisfaction. Using a longitudinal method could offer a deeper understanding of how customer satisfaction changes and what specific elements impact it as time goes on.

Self-reported information was heavily used in the research, which could lead to biases in the study. Customers might have given answers that were considered socially acceptable, or their feedback could have been impacted more by recent interactions rather than their overall level of satisfaction. In order to address this issue, upcoming studies may include extra data sources like firsthand observations or customer feedback tools.

The study primarily concentrated on supermarkets located in urban regions of Nepal. This study did not address the unique challenges and customer satisfaction factors that supermarkets in rural areas may encounter. Incorporating rural supermarkets in future studies may offer a broader insight into customer satisfaction in various environments.

External factors, such as economic conditions, cultural differences, and recent changes in supermarket policies were not considered in the study, which could affect customer satisfaction. These variables could have impacted the results but were not accounted for in the study's plan.

Future studies could overcome these limitations by increasing the sample size and diversity, adopting a longitudinal approach, utilizing multiple data collection methods, and examining customer satisfaction in different geographic and economic settings.

CHAPTER-II

LITERATURE REVIEW

This chapter provide conceptual framework of the study and deals with review of empirical studied. It is divided into three sections. First section consists of an in-depth review of related studies in the context of both developed and emerging financial markets around the globe. Second section presets a conceptual framework. And, finally the third section presents remarks or research gap on the conceptual and empirical review.

2.1 Theoretical Review

A literature review provides a brief summary of the research, discussions, and conclusions on the subject. It also involves discussing the main discoveries and examining the methods and strategies utilized in earlier research. A literature review involves analyzing a section of existing knowledge by summarizing, classifying, and comparing previous research, literature reviews, and theoretical articles. It is also an academic paper that encompasses the latest research, significant discoveries, and theoretical and methodological advancements on a specific subject. A literature review entails examining and discussing the published works within a specific field of study. Analyzing and critically evaluating previous studies involves comparing and contrasting similarities and differences. It also involves discussing the key discoveries and evaluating the methods and approaches employed in past research. Thus, the assessment of primary sources has been arranged as follows:

2.2 Empirical Review

Reichheld et al. (1990) sought to measure how creating strong and meaningful connections can have a notable impact on customer happiness and commitment. For companies aiming to enhance their service quality, they should learn from manufacturing and prioritize retaining and enhancing performance with customers who are unlikely to return. Service company managers should make an effort to decrease the cost of scrap heap, as it can be just as expensive as faulty parts and unfit components. Their goal should be to strive for "zero defections", retaining every customer they can serve at a profit. When companies lower customer churn rates, their financials experience remarkable improvements. While the extent of the shift may differ among companies and

industries, the trend remains consistent: there is a significant increase in profits. A decrease in the rate of customers leaving by only 5% results in an 85% increase in profits for a bank's branch system, a 50% increase for an insurance brokerage, and a 30% increase for an auto-service chain.

In a study conducted by Bei et al. (2001), it was found that customer satisfaction is not affected by product quality and price. A study of 495 clients is carried out at 15 service centers belonging to three prominent car manufacturers, namely Mitsubishi, Nissan, and Toyota. Most service industries offer products that include both tangible and intangible elements, although the balance between the two may vary. Past studies in this area focused on two main goals: 1) combining service quality and product quality into a single model, and 2) investigating how three consumer perceptions (product quality, service quality, and price fairness) impact satisfaction and loyalty. The focus is on automobile maintenance service due to the importance of technicians' abilities and the quality of parts to customers. The findings showed that perceived service quality primarily influences consumer loyalty through satisfaction, whereas perceived product quality and perceived price fairness have direct and indirect effects on loyalty, through satisfaction.

Varki & Colgate (2001) investigated how price perception influences consumer satisfaction. In comparison to the attention given to service quality research in service marketing, less effort has been put into studying the impact of price perceptions on customer retention. The article aimed to address this deficiency in the existing research. The research formed theories about how price relates to customer value, satisfaction, and behavioral intentions, and then examined these theories using real data from the banking sectors in the U.S. and New Zealand. Their research shows that price perceptions have a greater impact on customer value perceptions compared to quality, and that price perceptions, when assessed comparatively, directly affect customer satisfaction and behavioral intentions, in addition to their indirect impact through customer value. These findings showed that customer retention is highly influenced by perceptions of price, and recommended that managers should focus on both price and quality perceptions of consumers to improve retention.

Jamal & Naser (2002) found a connection between customer satisfaction and both core and relational dimensions of service quality. 167 participants were involved in the research study. Both researchers and bank marketers consider it crucial to comprehend the causes and effects of customer satisfaction. The results of the survey examined how service quality dimensions and customer expertise affect satisfaction. The results showed that customer satisfaction is connected to both the core and relational aspects of service quality. Research also shows a negative relationship between expertise and satisfaction. The article addressed potential consequences for bank executives.

ebekah & Sharyn (2004) found that ensuring the quality of products and services in the 20th century is important not just for customer satisfaction, but also for maintaining a secure position. A survey was conducted on 267 businesses to measure their levels of satisfaction and attitudinal loyalty towards an advertising service. Truly, the customers greatly benefitted from the survey in consuming high-quality products. Marketing managers, especially in service industries, consider customer satisfaction as a crucial aspect. Nevertheless, it seems that the main objective is usually to attain customer contentment, as indicated by the focus on customer satisfaction surveys. The authors showed through empirical evidence that satisfaction and attitudinal loyalty are not synonymous, sometimes satisfaction does not lead to loyalty. A business study was chosen because of the importance of satisfaction and attitudes in high-risk environments that require complex decision-making.

According to Rekettye & Printer (2006), a study was carried out by conducting a face-to-face survey with 1384 randomly chosen residential consumers in Hungary to investigate the theory that content customers are more likely to accept higher prices. The participants were questioned regarding their contentment with the delivery of electricity and also tasked with assessing the prices in relation to the quality of the service they had received. The statistical model created to examine this connection was both dependable and important. It confirmed the fundamental theory that happy customers are more willing to pay higher prices.

Ismail and colleagues (2006) investigated how audit service quality impacts client satisfaction and loyalty towards audit firms. To assess how public listed companies are

perceived and what expectations are held for them. The SERVQUAL model was utilized. The five aspects of SERVQUAL - reliability, assurance, tangibility, empathy, and responsiveness - were utilized for assessment.

In a study by Thuong (2016), it was discovered that customer satisfaction towards supermarkets was enhanced by factors such as product, price, personal interaction, convenience, services, and physical appearance. The research examined customer satisfaction with 200 responses from 4 chosen supermarkets, revealing that customer satisfaction is influenced by product, price, personal interaction, convenience, services, and physical appearance dimensions. Regression Analysis was utilized to determine how these factors influenced customer satisfaction. The study results demonstrated that customer satisfaction towards the supermarkets examined was positively influenced by product quality, pricing, personal contact, convenience, services, and store appearance. Price had the most significant impact on customer satisfaction among them.

Vanpariya & Ganguly (2020) found that there is a strong and positive relationship between service quality and customer satisfaction, positive word of mouth, and loyalty intention. While there is a wealth of research focusing on service quality in developed countries, there is a lack of similar studies in developing nations. This study delves into the topic of evaluating service quality in the banking industry in India. This paper aims to investigate how two common measures of service quality in the Indian banking sector can be applied. SERVQUAL is made up of two well-known multi-item scales used to gauge service quality. The dimensionality, reliability and validity of these scales are assessed in the Indian context when measuring service quality. Furthermore, the study analyzes the connections between service quality and customer satisfaction, positive word-of-mouth, and loyalty. From a diagnostic perspective, more resources are required for the empathy dimension in SERVPERF due to its low performance score (P). Nonetheless, SERVQUAL indicates that the most significant difference lies in the reliability aspect, necessitating additional resources.

Table 1

Empirical Review Table

Authors	Topic	Objectives	Methodology	Findings
Reichheld	Customer	To measure the	Theoretical	Reducing churn

et al. (1990)	happiness and retention	impact of strong connections on customer commitment and happiness	exploration; analysis of customer churn	rates significantly increases profits; aim for "zero defections" to enhance financial performance.
Bei et al. (2001)	Customer satisfaction in automobile services	To explore the impact of service quality, product quality, and price fairness on satisfaction and loyalty	Survey of 495 clients at service centers of car manufacturers	Perceived service quality primarily influences loyalty through satisfaction; product quality and price fairness also play roles.
Varki & Colgate (2001)	Price perception and consumer satisfaction	To examine how price perceptions influence customer retention	Theoretical development with empirical data from banking sectors	Price perceptions significantly impact customer value and satisfaction; retention influenced by both price and quality perceptions.
Jamal & Naser (2002)	Service quality and customer satisfaction	To investigate connections between service quality dimensions and customer satisfaction	Survey of 167 participants from the banking sector	Customer satisfaction relates to both core and relational service quality dimensions; negative relationship found between expertise and satisfaction.
Ibekah & Sharyn (2004)	Satisfaction and attitudinal loyalty	To analyze the relationship between customer satisfaction and loyalty	Survey of 267 businesses in service industries	Satisfaction does not always lead to loyalty; high-quality products are crucial in high-risk decision-making environments.
Rekettey & Printer (2006)	Customer satisfaction and pricing willingness	To assess if satisfied customers are willing to pay higher prices	Face-to-face survey of 1384 residential consumers	Confirmed that satisfied customers are more likely to accept higher prices for services

					received.
Ismail et al. (2006)	Audit service quality and client loyalty	To evaluate how audit service quality impacts client satisfaction and loyalty	SERVQUAL model applied to public listed companies	The five SERVQUAL dimensions were assessed, showing significant links between audit service quality and client satisfaction.	
Thuong (2016)	Customer satisfaction in supermarkets	To examine factors influencing customer satisfaction in supermarkets	Survey of 200 responses with regression analysis	Customer satisfaction positively influenced by product quality, pricing, personal interaction, convenience, and store appearance; price had the most significant impact.	
Vanpariya & Ganguly (2020)	Service quality in Indian banking	To evaluate the relationship between service quality and customer satisfaction, word of mouth, and loyalty	Application of SERVQUAL and SERVPERF scales in banking	Strong positive relationships found between service quality and customer satisfaction, word-of-mouth, and loyalty; empathy dimension requires more resources.	

2.1.1 Review of Recent Literature

Andaleeb (2001) investigated how service quality affects patient satisfaction in Bangladeshi hospitals. The research aimed to discover key service quality factors that are important to patients and how they are connected to patient satisfaction. Information was gathered via a field study, with statistical methods consisting of factor analysis and multiple regression. The results showed important links between responsiveness, assurance, communication, discipline, and patient satisfaction. The result indicated that enhancing these aspects of service quality could increase patient contentment in developing nations.

Jamal et al. (2004) studied the variables impacting customer contentment in the banking sector of Singapore, concentrating on relationship marketing and the disconfirmation paradigm. The research utilized a group of B2B clients and applied statistical methods like factor analysis and regression analysis. The results underscored the significance of relational factors in influencing customer contentment. The findings indicated that corporate-customer satisfaction is heavily impacted by relationship marketing and guanxi. Enhancing these relationship structures can boost customer satisfaction and loyalty in the banking industry.

Herrmann and colleagues (2007) investigated how customer satisfaction in the context of buying cars from major German dealerships is affected by their perception of price fairness. The objective of the research was to establish a connection between fairness in pricing and customer contentment, with a survey of 246 individuals who had purchased a car. Factor analysis and multiple regression analysis were among the statistical tools utilized. The results showed that the way price is perceived directly impacts satisfaction evaluations, and that consumer vulnerability has a negative effect on how fair they perceive the price offer to be. The outcome was that the perception of fair pricing is crucial in influencing customer satisfaction when purchasing a car.

Agbor (2011) examined how service quality dimensions impact customer satisfaction by exploring the positive relationship between them. Convenience sampling was used in the research to gather quantitative information from 220 clients of Umeå University, ICA, and Forex, using the SERVQUAL model to evaluate perceptions of service quality. Chi-square tests were employed to evaluate hypotheses individually as well as collectively. The results showed that there is a direct correlation between customer satisfaction and all dimensions of service quality. The research found that improving aspects of service quality can greatly increase levels of customer satisfaction.

Singh (2013) examined how perceived service quality influenced customer satisfaction in retail stores located in and around Delhi City, India. The aim was to establish the connection between interpersonal communication and client contentment. Data was gathered from 600 customers using a scale created by Dhabolkar, Thorpe & Rentz, covering five dimensions: physical aspects, reliability, personal interaction, problem

solving, and policy. Analysis of statistics indicated that policy, issue resolution, and dependability accounted for 39.2% of the variation in customer satisfaction. The research found that customer satisfaction in retail stores can be improved by enhancing personal interactions.

Wen-Shinn Low and colleagues (2013) examined how customer satisfaction and price sensitivity are connected, with a specific emphasis on female customers and those who visit frequently. The research involved 248 pairs of retailers and consumers and utilized statistical methods like regression analysis. The results indicated that as economic satisfaction decreases, price sensitivity increases, and as social satisfaction increases, price sensitivity also increases. The finding was that social happiness has a notable impact on price sensitivity, particularly in certain customer groups.

A study by Otterbring et al. (2014) examined how in-store signage affects customers' visual attention and decision-making in a grocery store using two eye-tracking field experiments involving 175 customers. The research sought to examine the impact of signage content on customers' navigation and decision-making processes. The results showed that familiarity with the store and the stage of in-store search both influence attention towards signage, and that signage has a significant effect on customers' visual attention when making decisions. The outcome showed that efficient signage can direct customer actions and improve their shopping journey.

Razak and colleagues (2016) investigated how customer satisfaction can be enhanced by product quality and competitive pricing, with a specific emphasis on the intermediary function of customer value. Data was collected through Likert scale questionnaires from a sample of 110 mall visitors in the study. Inferential statistics made use of structural equation modeling (SEM). The results showed that enhancing product quality and offering competitive prices can enhance customer satisfaction, with particular emphasis on toothpaste quality for customer satisfaction. It was concluded that customer satisfaction can be greatly improved by improving product quality and offering competitive pricing.

In Kumar's (2017) study, the impact of service quality dimensions on customer satisfaction and service loyalty in the telecommunications sector was investigated. The research sought to investigate how empathy and reliability affect customer satisfaction and how empathy, assurance, responsiveness, and tangibility impact customer loyalty. A convenience sampling technique was employed to gather data from 515 participants, with 86 samples eliminated due to response inaccuracies, ultimately leaving a final sample size of 429. Information was gathered from individuals who are not involved in the business sector and use telecommunication services, utilizing a 5-point Likert scale. The statistical methods used involved exploratory factor analysis (EFA), confirmatory factor analysis (CFA), and structural equation modeling (SEM). The results showed that customer satisfaction is significantly impacted by empathy and reliability, while customer loyalty is significantly influenced by empathy, assurance, responsiveness, and tangibility. The outcome indicated that boosting these aspects of service quality could improve customer satisfaction and loyalty in the telecom industry.

Table 2

Review of Recent Literature

Authors	Topic	Objectives	Methodology	Findings
Andaleeb (2001)	Service quality and patient satisfaction	To identify key service quality factors affecting patient satisfaction in hospitals	Field study with analysis and multiple regression	Links found between responsiveness, assurance, communication, discipline, and patient satisfaction; improvements needed in service quality.
Jamal et al. (2004)	Customer satisfaction in banking	To explore variables impacting customer satisfaction in banking	Survey of B2B clients using factor and regression analysis	Relationship marketing and guanxi are significant for customer satisfaction; enhancing these can boost loyalty.
Herrmann et al. (2007)	Price fairness and customer satisfaction	To establish the link between price fairness	Survey of 246 car buyers using factor analysis and	Price perception significantly impacts satisfaction;

			and customer satisfaction in car purchasing	regression	consumer vulnerability affects fairness perception.
Agbor (2011)	Service dimensions and satisfaction	quality and	To explore how service quality dimensions impact customer satisfaction	Convenience sampling of 220 clients using the SERVQUAL model	Direct correlation between all service quality dimensions and customer satisfaction; improvements can enhance satisfaction.
Singh (2013)	Service retail	quality in	To investigate the influence of perceived service quality on customer satisfaction	Survey of 600 customers using a specific scale	Policy, problem solving, and reliability accounted for 39.2% of satisfaction variation; enhancing personal interactions can improve satisfaction.
Wen-Shinn Low et al. (2013)	Customer satisfaction and price sensitivity		To examine the connection between customer satisfaction and price sensitivity	Regression analysis involving 248 retailer-consumer pairs	Economic satisfaction decreases lead to increased price sensitivity; social satisfaction impacts price sensitivity notably.
Otterbring et al. (2014)	In-store signage and decision-making		To analyze how signage affects visual attention and decision-making in stores	Two eye-tracking field experiments with 175 customers	Familiarity and search stage influence attention towards signage; effective signage improves shopping decisions.
Razak et al. (2016)	Product pricing, and customer satisfaction	quality,	To assess how product quality and competitive pricing enhance customer satisfaction	Likert scale questionnaires and SEM with 110 mall visitors	Enhancing product quality and competitive pricing can significantly improve customer satisfaction, particularly in toothpaste quality.

Kumar (2017)	Service quality in telecommunications	To investigate how service quality dimensions impact customer satisfaction and loyalty	Convenience sampling of 515 participants, data analysis with EFA, CFA, and SEM	Customer satisfaction is significantly influenced by empathy and reliability; loyalty is impacted by multiple service quality dimensions.
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2.1.3 Review of Nepalese Literature

Gautam & Dhital (2004) found that customers were happier with the second version of the joint venture bank because they experienced shorter waiting times and encountered positive employee behavior. The research examined three classifications of Nepalese commercial banks regarding their service quality and concluded that joint venture banks excel in service quality aspects except for tangibles compared to non joint venture banks and public banks. Reliability is viewed as the primary factor influencing the service quality of commercial banks in Nepal for Nepalese customers. The outcome indicated that banks need to prioritize their service quality and customer satisfaction in order to ensure their continued presence in the long run. The outcome also showed that assurance and responsiveness significantly influence customer satisfaction in Nepalese commercial banks. The study also found that public banks are effectively competing with both joint venture and non-joint venture banks.

Ramachandran (2006) discovered that failure to address customers' issues can lead to complete dissatisfaction with the services, which could become a significant problem for the organization. A total of 30 questionnaires on service quality and customer satisfaction were gathered. The survey was accessible in the English language. The majority of participants were women over the age of 26. The research took place in Vantaa, at the Nepalese eatery Sagarmatha found in Helsinki. The thesis's career advisor was Purna Chandra Adhikari, who serves as the Restaurant Sagarmatha's manager. The objective of the research was to provide excellent service and ensure customer satisfaction. Service Quality and Customer satisfaction are considered primary focuses within the organization. The relationship between service quality and customer satisfaction is reciprocal. If the organization's services and goods are well-received by customers, it also

benefits the organization. The study method used in the thesis was quantitative with a questionnaire survey and qualitative with a structured interview. Only one survey was made related to quality service and customer satisfaction. In specific, the study method used was user/visitor survey. The survey was carried out during November and December 2011. Similarly the Structured interview was taken during November and December 2011.

According to Shrestha (2012), perceived business benefits tangibility, reliability, responsiveness, and assurance are crucial for service quality and customer satisfaction. The research involved 364 participants who are currently clients of commercial banks in the Kathmandu valley. Clients hold significant importance in companies and their contentment is a top priority for management. Service quality is now a crucial factor in ensuring customer contentment. The research aims to evaluate customer satisfaction and service quality dimensions in the commercial banking sector of Nepal. The research utilized descriptive statistics, correlation, and regression analysis to evaluate the connection between service quality dimensions, service quality, and customer satisfaction variables. Nepal Investment Bank was discovered to be the most preferred bank among the commercial banks in Nepal. All service quality dimensions, such as tangibles, reliability, responsiveness, assurance, and empathy, play a vital role in shaping the service quality and customer satisfaction of commercial banks in Nepal. Service quality has a significant impact on customer satisfaction.

Ghimire (2012) investigated the interconnectedness between service quality and customer satisfaction. A total of 30 surveys evaluating service quality and customer satisfaction were gathered. The survey was offered in the English language. The majority of the participants were women over the age of 26. The objective of the research was to provide high-quality service and ensure customer satisfaction. The methodology employed in this thesis included a quantitative approach utilizing a questionnaire survey and a qualitative component involving structured interviews. There was only one survey conducted regarding quality service and customer satisfaction. The particular method employed was surveying users/visitors. The study took place in November and December of 2011. The Structured interview was also conducted in November and December 2011.

In the same manner, Gyawali & Kumar (2014) discovered a strong and positive correlation between customer satisfaction and five dimensions of service quality. Reliability, responsiveness, assurance, and empathy all played a part in increasing the range of perceived satisfaction with overall service quality (SQ). The study aimed to explore how customer relationship management in Nepalese commercial banks impacts customer satisfaction and loyalty. More specifically, it explores how service quality, employee behavior, customer convenience, pricing, and promotions influence customer satisfaction and loyalty.

Pradhananga (2014) discovered that the correlation between dimensional service quality and tangible dimensional service quality with customer satisfaction in Nepalese commercial banks is extremely weak. Only 96 out of the 120 questionnaires given to customers of the selected banks have been returned, which equals to 80 percent of the total distribution. The research looked into how the quality of services affects customer satisfaction in commercial banks in Nepal. The research utilized a research design that was descriptive and analytical in nature. The research utilized primary data from a survey to examine dimensions of service quality, including related dimensional service quality, tangible dimensional service quality, and core service quality. Correlation and multiple regression analyses were utilized to investigate the influence of service quality on customer satisfaction. The research found that the connection between dimensional service quality and tangible dimensional service quality and customer satisfaction in Nepalese commercial banks was very weak and not satisfactory. However, the quality of core services greatly affects customer satisfaction. Therefore, Nepalese commercial banks need to enhance their service quality across relevant and tangible dimensions in order to increase the banks' efficiency.

Maharjan (2014) studied the quality of service, satisfaction of customers, and loyalty of customers in Nepalese commercial banks. The research indicated a correlation between service quality elements and customer contentment. The research revealed a positive correlation between service quality, customer satisfaction, and customer loyalty in Nepalese commercial banks. Therefore, meeting the banking needs of customers through quality service leads to customer satisfaction, which in turn leads to customer retention and increased loyalty. The research showed that the majority of clients were happy with

the bank's services and would be willing to suggest the bank to their acquaintances. Banks also receive positive feedback from customers regarding their online and internet banking services. The research indicated that reliability is the primary factor for service quality in Nepal's commercial banks while technology is considered the least significant factor.

Sharma (2015) analyzed how the online service quality of e-commerce websites impacted user satisfaction. The study aimed to analyze the quality of services provided by e-commerce websites on online platforms and their impact on promoting e-business. The research was based on five groups of concepts and their corresponding measures. All measures were developed based on the questions in a survey form that utilized a 7-point rating system ranging from strongly disagree (1) to strongly agree (7). The items were verified in previous research and adjusted slightly to measure online service quality in the context of an e-commerce website. The online survey was conducted on a survey platform offered by Nepal Telecom in Nepal, allowing interested online users to access the portal. The results of the research indicate that the quality of information and online services are crucial factors in determining user satisfaction and the long-term success of e-commerce technology.

Bhatta & Durgapal (2016) discovered a significant link between service quality dimensions and customer satisfaction was identified. The research involved 300 participants from six banks situated in Kathmandu Valley. The SERVPERF approach was utilized to assess the quality of service. The surveys contained 27 questions concerning the five aspects of service quality (reliability, assurance, tangibility, empathy, and responsiveness). The research studied how customers in Nepalese commercial banks view service quality and satisfaction. Customer satisfaction was assessed using a single item measure. There was a significant link discovered between customer satisfaction and service quality dimensions. Regression analysis found that reliability, tangibility, empathy, and responsiveness were significant predictors of customer satisfaction.

Table 3

Review of Nepalese Literature

Authors	Topic	Objectives	Methodology	Findings
Gautam & Dhital (2004)	Service quality in Nepalese banks	To assess service quality across different bank types	Comparative analysis of service quality	Joint venture banks excel in service quality, especially in responsiveness and assurance; reliability is key.
Ramachandran (2006)	Customer service satisfaction	To evaluate service quality and ensure customer satisfaction	Quantitative survey and qualitative interviews	Failure to address customer issues leads to dissatisfaction; service quality and satisfaction are mutually influential.
Shrestha (2012)	Service quality dimensions and satisfaction	To evaluate the connection between service quality and customer satisfaction	Descriptive statistics, correlation, regression analysis	All service quality dimensions impact customer satisfaction; Nepal Investment Bank is the most preferred.
Ghimire (2012)	Interconnectedness of service quality and satisfaction	To explore the relationship between service quality and customer satisfaction	Quantitative survey and structured interviews	High-quality service and customer satisfaction are interlinked; focused on understanding customer perceptions.
Gyawali & Kumar (2014)	Customer satisfaction and service quality	To explore the impact of service quality on customer	Survey analysis	Strong positive correlation between customer satisfaction and

			satisfaction and loyalty		service quality dimensions; relationship management is crucial.
Pradhananga (2014)	Correlation between service quality and satisfaction	service and	To examine how service quality dimensions affect customer satisfaction	Descriptive and analytical research design	Weak correlation between tangible service quality and satisfaction; core service quality significantly impacts satisfaction.
Maharjan (2014)	Service quality, customer satisfaction, and loyalty	quality, and	To analyze the relationship between service quality, satisfaction, and loyalty	Correlation study	Positive correlation found; reliability is the main factor for service quality, leading to increased loyalty.
Sharma (2015)	Online service quality in e-commerce	service in e-	To assess the impact of online service quality on user satisfaction	Online survey with a 7-point rating system	Information quality and online services are critical for user satisfaction and the success of e-commerce.
Bhatta & Durgapal (2016)	Service quality dimensions and customer satisfaction	quality and	To investigate the relationship between service quality and satisfaction	SERVPERF approach with 27 questions	Significant link found between service quality dimensions and customer satisfaction; reliability and responsiveness are key predictors.

2.3 Research Gap

Although customer satisfaction is increasingly important in the retail industry, there is still a substantial lack of knowledge about the factors that affect customer satisfaction in supermarkets in Nepal. Most literature mainly concentrates on Western markets or urban centers in other developing nations, offering few details on the specific environment of Nepali supermarkets.

Even though there is extensive research on customer satisfaction in supermarkets worldwide, there is a deficiency of studies that specifically examine the intricacies of the Nepali market. Past research frequently makes broad conclusions from various cultural and economic settings that may not necessarily translate directly to Nepal. This highlights the necessity for research focused on the particular socio-economic and cultural aspects affecting customer satisfaction in supermarkets in Nepal.

Many studies frequently ignore the impact of local factors like economic conditions, cultural practices, and consumer behavior unique to Nepal. It is essential to comprehend how these factors at the local level impact customer happiness in order to create successful plans specifically designed for the Nepali environment.

Limited comparative studies on customer satisfaction across various supermarket types in Nepal, including local vs. international chains, or urban vs. rural supermarkets, are available. Comparative research might uncover differences in customer expectations and satisfaction levels, leading to a deeper comprehension of the market.

The majority of studies in this field are usually cross-sectional, providing a brief glimpse into customer satisfaction at a specific moment in time. Long-term research is required to monitor shifts in customer happiness as market conditions, customer preferences, and supermarket policies change.

Limited research has been done on how the adoption of digital technologies and online shopping platforms affects customer satisfaction in Nepalese supermarkets despite their growing use. Studying how technological advancements affect customer satisfaction can provide valuable insights for both parties.

Addressing these gaps through targeted research will provide a more comprehensive understanding of customer satisfaction in Nepali supermarkets, leading to more effective strategies for enhancing customer experiences and optimizing retail performance.

CHAPTER III

RESEARCH METHODOLOGY

Research methodology outlines the overall strategy for the study and establishes a fundamental framework for the study. It outlines different successive actions for the researcher to take when studying an issue with specific goals. It is essential to outline the research methodology before discussing data analysis and interpretation. Without a proper methodology, there is a high chance that the conclusions reached will be misinterpreted. Therefore, this chapter details the research methods utilized in this investigation. The research design, research methods, sampling techniques, and data gathering instruments are all discussed in the document.

3.1 Research Design

This study utilizes descriptive research design and causal comparative research design to address key issues related to the influence of shopping factors on customer satisfaction in Nepalese supermarkets. This research utilizes a descriptive research design to gather facts and uncover sufficient data on how shopping factors affect customer satisfaction. This research methodology involves gathering evidence. It explains the phenomenon in its current state. This design requires gathering and organizing data in a structured way to provide a comprehensive understanding of a specific situation.

This research also utilizes a casual comparative research design. This design was implemented to determine and comprehend the orientations, extent, and types of observed correlation between shopping factors and customer satisfaction. This research design examines how shopping factors affect customer satisfaction by analyzing current outcomes and identifying potential factors that influence changes in customers' shopping behavior at supermarkets. Casual comparative design is utilized to determine the causal relationship between various shopping factors and customer satisfaction. The research methodology was chosen to gather facts and find sufficient data on factors that influence customer satisfaction. The survey was created to evaluate supermarket customers' perception of their satisfaction level.

3.2 Population and Sample

This research relies on original data sources. A set of organized surveys with 5-point Likert Scale questions was given to the patrons of a Nepalese grocery store. The main data was utilized to gather customer feedback on shopping factors and their influence on customer satisfaction in Nepalese supermarkets. This research aims to assess how various factors affect customer satisfaction in Nepalese supermarkets. Convenience sampling is employed to monitor the participants in the research. Convenience sampling was suitable for this study since it is the most effective way to access respondents given time and budget limitations. The sampling method usually requires a uniform population, where all members share similar characteristics. The study focuses on the complete customer base of a supermarket in Nepal.

Table 4

List of the supermarkets inside the Kathmandu Valley

S.N	Name of Supermarket (<i>in alphabetical order</i>)
1.	BG Mall
2.	BhatBhateni SuperMarket (BBSM)
3.	BigMart SuperMarket
4.	BishalBazaar
5.	Iplex Mall
6.	Kathmandu Mall
7.	KK Mart
8.	Labim Mall
9.	R.B. Complex
10.	Saleways Departmental Store

This study includes different supermarket located throughout the Kathmandu Valley. Only the customers of supermarket are used as a sample for the study. For the analysis of factors affecting customer satisfaction in Nepalese supermarket, questionnaires were distributed to the respondents and 300 were collected. For data collection, one of the non-probabilistic techniques i.e. convenience has been used. No restriction has been place on the type of survey. Convenience sampling is one of the type of non-probability based on who they think would be appropriate for the study. Due to the time and financial constraints, this method was most useful method because it is the way to reach the respondents. This study has totally focused Kathmandu valley supermarket to collect the data. A set of questionnaires shown in appendix was prepared and distributed to the customers within Kathmandu valley.

3.3 Sources of Data

The research relies on primary data sources. Quantitative research relies on primary sources of data. The main data source is utilized to gather customer feedback on factors influencing satisfaction in Nepalese supermarkets.

The structural survey aims to gather information about shopping factors and customer satisfaction. The initial section of the surveys focused on gathering demographic details such as gender, marital status, age, education, shopping frequency etc. This section helped in creating a profile of the respondents based on demographics. Likewise, the second section of the survey aimed to assess how shopping factors affect customer satisfaction. Five statements describe each factor that influences customer satisfaction. Every statement was assessed using a Likert scale. The survey utilized a 5-point Likert scale where 5 represents strongly agree and 1 represents strongly disagree. The perception of respondents regarding each statement was measured using the level of agreement and disagreement.

The second part of the survey contains statement about product, price, customer interaction, convenience, appearance, and services. These variables were utilized to assess the customer's opinion on the factors influencing satisfaction levels at the supermarket. This style was implemented to determine and comprehend the orientation, size and types of seen connection between various factors and customer contentment. Cronbach's alpha was used to test the reliability of the data.

3.4 Data Collection Procedure

This research aims to explore the views of participants on customer happiness in Nepalese supermarkets. The information was gathered from patrons of a supermarket in Nepal. A structured survey was distributed to every selected customer via the internet. Customers were politely asked to indicate their level of satisfaction and dissatisfaction using a five-point Likert scale, with options ranging from 1 (strongly satisfied) to 5 (strongly dissatisfied). Approximately two weeks after the online form was given, a sole follow-up was conducted. The survey utilized in the research is shown in the appendix.

3.5 Data Processing Procedure

The process of analyzing data for this study on customer satisfaction in supermarkets in Nepal includes multiple important stages to guarantee precise, trustworthy, and significant examination of the gathered data. Initially, information is gathered via formal surveys. Data that has been gathered is assessed for accuracy. Validity pertains to the accuracy of results. It assesses if the research accurately gauges its intended target or the validity of the research findings. It pertains to the precision of a measurement and it is considered valid if it effectively measures and executes the intended functions. It is the extent to which a measurement effectively reflects its intended subject. On the flip side, reliability pertains to the trustworthiness of the test, focusing primarily on the stability and consistency of measurement outcomes and tools. Reliability is described as the consistency of results over time and how well they represent the entire studied population. When a study's results can be replicated using a smaller method, the research tool is deemed reliable.

Cronbach's alpha is commonly utilized as a statistical tool to gauge internal consistency and reliability. In this research, the primary data is utilized to assess the reliability and validity of various proxies related to product, price, personal interaction, convenience, physical appearance, and service factors to measure internal consistency across different categories. The number of test items and the average inter correlation among the items both play a role in determining the outcome. Typically, a coefficient of 0.7 or higher is deemed satisfactory and demonstrates solid construct reliability. Table 3.1 shows the Cronbach's alpha coefficient for all of the primary data.

The reliability of each components in the questionnaire on factors influencing customer satisfaction in Nepalese supermarkets was calculated using SPSS. The Cronbach's alpha values for both the dependent and independent variables are all above 0.7, indicating their reliability at 70 percent. The measures for product, price, personal interaction, convenience, physical appearance, security, and customer satisfaction are 0.713, 0.744, 0.809, 0.805, 0.768, 0.753, and 0.781, in that order. The instrument was found to be reliable and valid based on the results of reliability and validity, with a Cronbach's alpha of 0.855 which exceeded the minimum threshold of 0.7. It signifies that 85.5 percent of the data collected for the research is trustworthy.

Table 5

Coefficient of Cronbach's alpha

Variables	Cronbach's Alpha based on standardized items	Number of items
Product	0.713	5
Price	0.744	5
Customer Interaction	0.809	5
Convenience	0.805	5
Physical Appearance	0.768	5
Service	0.753	5
Customer Satisfaction	0.781	5
Overall	0.855	35

After checking validity, survey responses are coded into numerical or categorical variables for ease of analysis. For instance, satisfaction levels are coded on a Likert scale (1 to 5) and demographic information (age, gender, etc.) is categorized accordingly. Some variables were transformed for analysis purposes. For example, open-ended responses were categorized into themes to facilitate quantitative analysis.

3.6 Data Analysis Tools and Techniques

This section provides information on the utilization of gathered data for the research objectives. Customers receive the questionnaire and letter online. While the customers are requested to complete the survey. The process of analyzing data is comprised of four sections. The initial part of the analysis involved primary data analysis, which consisted of summarizing descriptive statistics related to respondent demographics such as gender, marital status, age, education, and shopping frequency.

The second part examines the descriptive statistics, including the mean and weighted average of five influential factors - product, price, customer interaction, convenience, physical appearance, and service - used to define the sample characteristics over the period. The research also employed percentage frequency distribution and mean scores from the responses to Likert scale questions. The third part focused on the Pearson's

correlation analysis to examine the connection between various shopping factors and customer satisfaction in Nepalese supermarkets.

In the same way, the fourth section focuses on analyzing primary data through regression techniques. Regression models are used to predict how customer satisfaction is affected by product, price, personal interaction, convenience, physical appearance, and service. The data gathered is being examined using SPSS.

Total responses collected via Google Form from the respondents were coded and tabulated into SPSS worksheet. The function of SPSS is to analyze the result of the questionnaire and then helps to interpret the findings. The various tools such as frequencies, descriptive statistics, and casual comparative and reliability analysis (Cronbach's alpha) were applied to derive the result. Further, p-value is used to check the level of significance of the different statements of product, price, personal interaction, convenience, physical appearance and services.

The econometric models used in this study tries to explain the relationship between shopping factors and customer satisfaction.

The study used least square regression model to test which of the hypothesis are consistent with data. As each hypothesis in this study imply unique time-ordered and signed relationship, regression model may help to indicate which of the hypotheses are generally consistent or inconsistent with the data. In order to explain the effect shopping factors on satisfaction of customer measured as customer satisfaction, following regression model is used.

Model:

In this model, dependent variable is the CS indicated by customer satisfaction. The independent variables are product, price, personal interaction, convenience, physical appearance and service. The model is presented as:

$$CS = \beta_0 + \beta_1 \text{PRO} + \beta_2 \text{PRI} + \beta_3 \text{CI} + \beta_4 \text{CO} + \beta_5 \text{PA} + \beta_6 \text{SE} + e_i$$

Where,

β_0 = Slope

$\beta_1, \beta_2, \beta_3, \beta_4, \beta_5, \beta_6$ = Coefficient of variables

CS = customer satisfaction

PRO= product

PRI= price

CI= Customer interaction

CO= convenience

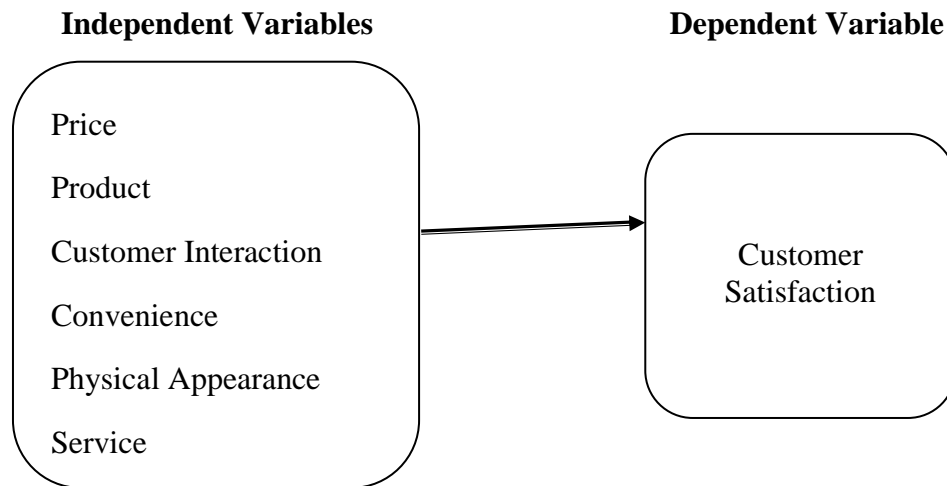
PA= physical appearance

SE= service

3.7 Research Framework

The study is established on the conceptual framework, which serves as its basis or foundation. The entire study progresses within the framework of this theory. The initial review of literature and information lays a strong groundwork for constructing a conceptual framework. It is crucial that the conceptual framework is meticulously constructed and presented as the study aims to create theories on various issues and queries.

To put it differently, a conceptual framework is a fundamental conceptual structure built upon a theory. It determines the types of variables that will be utilized in the analysis. A conceptual framework is a form of intermediate theory that aims to link all elements of investigation in problem identification, objective, literature review, methodology, data collection, and analysis. Conceptual framework serves as a guide for empirical research by closely aligning with the research question or problem, taking on various forms. This research aimed to explore how customer satisfaction is influenced by variables such as product, price, personal interaction, convenience, physical appearance, and service.



(Source: Schiffman & Karun, 2004)

Figure 3.1 Research Framework

Independent Variables

Product

Products are called merchandise which is there for satisfying the needs of the customer. The various items that are offered to the customers are the products. In this we have consider the various aspects of the products such as the variety of the products, durability of the product offered, brand of the product. Similarly each product has its own manufacturing date and the expiry date and we have also considered this aspect in our study. The customers are likely to consider the various aspects of the product. Fornell (1992) found that the customer satisfaction depends on these various aspects of the products. Satisfaction is primarily a function of a customer's quality experience with a product or service.

Hansemark & Albinsson (2004), “satisfaction is an overall attitude towards a product provider or an emotional reaction to the difference between what customers expect and what they actually receive regarding the fulfillment of a need”. Kotler (2000) also define satisfaction as a person’s feelings of pleasure, excitement, delight or disappointment which results from comparing a products perceived performance to his or her expectations.

Based on it, the study develops following hypothesis:

H1: There is a positive relationship of product with customer satisfaction.

Price

Price sometimes refers to the quantity of payment requested by a seller of goods or services, rather than the eventual payment amount. Price is the quantity of payment or compensation given by customers for the goods or services. This requested amount is often called the asking price or selling price, while the actual payment may be called the transaction price or traded price. Ranaweera *et al.* (2003) found that the perceived “reasonableness of price” has a positive correlation to customer retention. Gupta (2014) found there is a positive impact of price sensitivity on customer satisfaction.

The various discounts such as: loyalty discounts, discounts on different occasion or the discount schemes may be given to the customers. Here this discount given to the customers may play a significant impact on the customer satisfaction. Wen-ShinnLow *et al.* (2013) stated social satisfaction is positively related with price sensitivity, especially for female customers and customers with high patronage frequency.

Based on it, the study develops following hypothesis:

H2: There is a positive relationship of price with customer satisfaction.

Customer Interaction

Everything a person does with and around others is considered interpersonal interaction. Interpersonal interactions also include things like relating to one another and exchanging feelings, and they can be both verbal and nonverbal. The assistance of the staff during the purchase is also a kind of interaction. Interpersonal interaction can be a factor that influences the customer satisfaction. The various factors that determine how the interpersonal interaction is are the knowledge, behavior and attitudes and promptness in the response. Interaction between customers has gained the attention because people tend to shop more based on social reasons (Moore *et al.*, 2005).

Nguyễn Thị Thu Thương (2016) found that product, price, personal interaction, convenience, services and physical appearance were positively impacted on customer satisfaction towards supermarkets. Compatibility between customers also designated higher satisfaction and patronage intentions (Martin *et al.*, 1989).

Based on it, the study develops following hypothesis:

H3: There is a positive relationship of customer interaction with customer satisfaction.

Convenience

True convenience is related to both time and effort. There are different ways to lessen the physical effort needed for tasks we don't enjoy, like ready-made meals that save us from cooking, or online shopping that eliminates the need to go out. Conveniences in service are those that help shoppers save time or energy. Convenient processes, items, and amenities aim to enhance accessibility, conserve resources (like time, effort, and energy), and reduce annoyance. Nguyễn Thị Thu Thương (2016) discovered that customer satisfaction towards supermarkets was enhanced in a positive way by convenience and services.

Factors such as parking options, storage availability, payment methods, return policies, and additional amenities are considered when evaluating customer convenience. This factor is thought to impact customer satisfaction, making it one of the independent variables in this study. Increased customer interaction can lead to more shopping by providing opportunities for customers to connect with others who share similar interests (Dholakia, 1999).

Based on it, the study develops following hypothesis:

H4: There is a positive relationship of convenience with customer satisfaction.

Physical Appearance

These consumers form an opinion of a business based on physical presence, which heavily influences their decision to shop at a location. Nearly all shoppers say that exterior appearance is important in their selection of a place to shop. One-third of consumers have chosen not to enter a business because it "didn't look like a place I would normally shop." These consumers may not have been able to put a finger on specifically why they didn't want to shop there, but there was something about its appearance that gave them pause.

When considering what's important in selecting a place to conduct business, cleanliness and organization are as important as customer service and cost. More than 80 percent of consumers admit they have shopped only once at a location and never returned because it did not meet their expectations. Parasuraman *et al.* (1988) found that physical

appearances significantly improves positively mental set up of customers towards satisfaction about quality service.

Based on it, the study develops following hypothesis:

H5: There is a positive relationship of physical appearance with customer satisfaction.

Service

Barsky (1992) discovered that customer satisfaction plays a vital role in service provision as meeting customers' needs can lead to more market share through repeat purchases and referrals. Services consist of diverse human actions rather than fixed procedures; utilities being the only exception. Bhatta and Durgapal (2016) discovered a significant link between the dimensions of service quality and customer satisfaction. A self-service store with a variety of food and household items, arranged into aisles, is referred to as a supermarket. It is bigger and offers a broader variety of items compared to a typical grocery store. This refers to the supplementary services provided by the grocery store such as dining areas, kids' play area, safety measures, and home delivery. Customers are content when these factors, in addition to the standard services, are provided in a supermarket. Jenet Manyi Agbor (2011) discloses the connection between service quality dimensions and the satisfaction of customers with service quality.

Based on it, the study develops following hypothesis:

H6: There is a positive relationship of service with customer satisfaction.

Dependent Variables

Customer satisfaction

Clients are people who buy products or services from businesses in order to meet their needs and increase happiness. Even though customers and consumers are frequently confused, they have different purposes: a customer makes purchases, whereas a consumer is the one who actually uses the products (Solomon, 2009). The level of satisfaction one feels after consuming goods or services depends on their expectations and how well they feel the product or service performed for them (Kotler & Keller, 2009). Determining satisfaction can be difficult because it is a personal feeling, best analyzed through direct customer feedback (Levy, 2009).

Various studies have emphasized the importance of service quality in ensuring customer satisfaction. Rodolfo Vazquez and colleagues (2001) specified four main factors of service quality in retail: physical elements, dependability, interpersonal communication, and procedures. According to Tse & Wilton (1988) and Fornell (1992), customer satisfaction is viewed as a general assessment made after a purchase, which is affected by the difference between expectations and the actual performance. Different interpretations of customer satisfaction exist, typically focusing on how individuals view the performance of a product or service in comparison to what they expected (Schiffman & Karun, 2004). Ultimately, it is crucial for companies to prioritize customer satisfaction since it shows client contentment and is a key indicator of a company's performance.

CHAPTER–IV

RESULTS AND DISCUSSION

This research focus mainly on analyzing primary data that primarily relates to the qualitative aspects of customer satisfaction in Nepalese supermarkets. This portion also presents the findings of a survey where questionnaires were given to various customer segments. A survey questionnaire was created to gauge respondent opinions regarding their satisfaction with aspects such as product, price, interpersonal communication, convenience, services, and physical appearance. The individuals' profiles, their personal traits, and the survey findings will be outlined in the upcoming sections. The data was analyzed through calculation of percentage, frequency, mean value, and weighted average mean value for accurate analysis of data.

4.1 Presentation of Results

This study mainly concentrates on examining original data that specifically investigates qualitative aspects associated with customer satisfaction in Nepalese supermarkets. This section also features the results of a survey carried out with different customer segments. The survey form was designed to collect participant feedback on their overall satisfaction with product, price, customer service, convenience, services, and physical appearance. The forthcoming sections will provide a detailed account of the participants' demographics, individual traits, and survey results. Percentages, frequencies, mean values, and weighted average mean values were calculated for a comprehensive data analysis.

4.2 Respondent's Profile

The first section deals with the demographic analysis of the data that has been collected. This analysis covers the frequency distribution of age, gender group; number of years worked in the organization. They are briefly discussed below.

4.2.1 Gender

Gender is an important variable in expressing and giving the responses about the problem. Hence, the variable gender was investigated for this study. Table 4.1 shows the sample on the basis of gender. It shows that 144 were male and 156 were female among the respondents.

Table 6

Distributions of Respondents According to Gender

Gender	Frequency	Percentage
Male	144	48%
Female	156	52%
Total	300	100%

(Source: Field Survey, 2024)

Table 6 shows the gender distribution of respondents. It shows that female respondents were more than male respondents in the sample size of 300. The percentage of male and female respondents was 48% and 52 % respectively.

4.2.2 Marital Status

Designation is one of the most important characteristics in understanding the views about the particular problems. It has been categorized as married, unmarried and others. The table 7 shows that married were 93 and 201 were unmarried among the total respondents of 300.

Table 7

Distribution of Respondents on the basis of Marital Status

Marital Status	Frequency	Percentage
Married	93	31 %
Unmarried	201	67 %
Others	6	2 %
Total	300	100.00%

(Source: Field Survey, 2024)

Table 7 displays the marital status of the participants. Out of the 300 total respondents, 201, or 67%, are not married. 31% of the respondents are married in total. Six individuals who participated in the survey are divorced.

4.2.3 Age

Age of the respondents is one of the most important characteristics in understanding the views about the particular problems. Table 4.2 shows the respondents on the basis of age. The table shows that 3 were below the age of 20, 255 were of age 21-40 and 42 were of age 41-60. The total respondents were 300.

Table 8

Distribution of Respondents According to Age

Age	Frequency	Percentage
Below 20	3	1%
21-40	255	85%
41-60	42	14%
Total	300	100%

(Source: Field Survey, 2024)

Table 8 displays how respondents are distributed by age. The data demonstrates that there is a significant number of participants aged 21-40 in comparison to those in other age brackets. 85% of the participants are aged 21-40, while only 1% are below the age of 20. The remaining 14% are between the ages of 41 and 60. This indicates that a large number of youthful participants have engaged in this study.

4.2.4 Education

Having a good education can greatly influence a person's perspectives and comprehension of social issues, making it crucial to consider the educational history of survey participants. The respondents' qualifications are divided into four groups: just literate, Below SLC, +2/Bachelor, and Master, as shown in table 9.

Table 9

Distribution of Respondents According to their Education

Level	Frequency	Percentage
Just Literate	5	1.7%
Below SLC	42	14%
+2/Bachelor	216	72%
Master	37	12.3%
Total	300	100.00%

(Source: Field Survey, 2024)

Table 9 shows the distribution of qualification and percentage of respondents. The findings indicate that the majority of survey participants are at an Intermediate/Graduate level (72%), with Below SLC coming in at 14% and post-graduate at 12.3%. Just 1.7% of participants identified themselves as only literate in the entire group of 300 respondents.

4.2.5 Shopping Frequency

Understanding opinions about the particular issues are greatly influenced by how often someone goes shopping. The classification is based on how often it occurs: monthly, bi-monthly, tri-monthly, and over three times a month. Table 4.5 shows that out of 300 participants, 12 go shopping once a month, 42 go twice a month, 119 go three times a month, and 127 go more than three times a month.

Table 10

Distribution of Respondents on the Basis of Their Shopping Frequency

Shopping Frequency	Frequency	Percentage
Once a month	12	4%
Twice a month	42	14%
Thrice a month	119	39.7%
More than three times a month	127	42.3%
Total	300	100.00%

(Source: Field Survey, 2024)

Table 10 shows how often the participants go shopping. 42.3% of respondents shop more than three times a month, which is a significant amount. Likewise, 119 individuals shop three times a month and 14% of the total respondents shop twice a month. Twelve participants indicated that they shop once every month. This indicates that the diversity among the respondents is perceived as enhancing the validity of the research due to the varying shopping habits exhibited by the participants.

4.2.6 Monthly Income

Monthly Income is one of the most important characteristics that might affect the person's purchasing capacity and choices.

Table 11

Distribution of Respondents on the Basis of their Monthly Income

Monthly Income	Frequency	Percentage
Less than 25,000	83	27.7%
25,001-35,000	102	34%
35,001-55,000	74	24.7 %
Greater than 55,001	41	13.7 %
Total	300	100.00%

(Source: Field Survey, 2024)

Table 11 shows the breakdown of respondents' monthly income in terms of frequency distribution and percentage composition. The findings indicate that a majority of participants earn between 25,000-35,000 (34%), while 27.7% have incomes below 25,000. 24.7% of individuals had a monthly income between 35,001 and 55,000. 13.7% were discovered to earn over 55,001 per month. This demonstrates that the varied characteristics of the participants are acknowledged to enhance the credibility of the research.

4.2.7 Occupation

Occupation also affects the person's purchasing capacity and choices based upon need and availability. The occupation is classified as illustrated in table 12.

Table 12

Distribution of Respondents on the basis of their Occupation

Occupation	Frequency	Percentage
Student	54	18%
Household	31	10.3%
Employee	159	53 %
Business	56	18.7 %
Total	300	100.00%

(Source: Field Survey, 2024)

The percent composition of respondents' occupation is depicted in Table 12. The majority are involved as employee (53%). 18.7% have their own business and 18% are student. Rest 10.3% is actively working as household. This shows that the heterogeneous nature of the respondents is taken to make the research more valid.

4.3 Customer Perception and Product Range

For supermarket to continue business regular customer base is the key. Customer perception plays key role in business of supermarket. The customer perception depends upon many things including variety, comfort, price and overall experience.

4.4 Descriptive Analysis

This section focuses on analyzing the data obtained from the questionnaires used in the research. Descriptive analysis involves calculating statistical metrics like average, standard deviation, as well as the highest and lowest values. These values aid researchers in examining data based on frequencies and aggregations in relation to research inquiries and variables. In order to achieve this goal, participants were presented with questions using the "Five Point Likert Scale" ranging from 1 (Strongly Disagree) to 5 (Strongly Agree). The detailed analysis was given in a chart and table for better comprehension. The combined percentage of Agreeing and Strongly Agreeing is calculated to evaluate the overall level of agreement, while the combined percentage of Disagreeing and Strongly Disagreeing is calculated to evaluate the overall level of disagreement.

4.4.1 Impact of Product, Price, Customer Interaction, Convenience, Services and Physical Appearance on Customer Satisfaction

This section provides the information on the customers' satisfaction level of Nepalese supermarkets. The respondents were asked questions regarding their view on the effect of product, price, personal interaction, convenience, services and physical appearance on customer satisfaction.

Table 13

Customer Satisfaction Related to Product

Statement	N	Min	Max	Mean	Std.Deviation
Products in supermarket are enduring	300	1	5	3.81	0.55
The supermarket has a variety of product range	300	1	5	3.99	0.83
I find goods with clear label and origin	300	1	5	3.92	0.81
I find branded goods in supermarket	300	1	5	3.86	0.78
I find fresh product in supermarket	300	1	5	3.79	0.76
Weighted Average Mean (Product)				3.87	

Overall, customers are mostly satisfied with supermarkets products, and the average rating is 3.87. Survey participants gave the highest rating to the range of products available (mean = 3.99), with clear labeling and origin of goods following closely behind (mean = 3.92). The durability, presence of well-known items, and freshness all scored well (mean = 3.81, 3.86, and 3.79) demonstrating customers' overall satisfaction with product quality and selection.

Table 14

Customer Satisfaction Related to Price

Statement	N	Min	Max	Mean	Std.Deviation
Price of the product in the supermarket is competitive	300	1	5	3.97	0.89
Prices of products are economical	300	1	5	3.69	0.81
The product price is value for money	300	1	5	3.78	0.82
Price of product is affordable to customer	300	1	5	3.75	0.82
The product price is good during special offers	300	1	5	3.89	0.85
Weighted Average Mean (Price)				3.82	

In terms of pricing, the supermarket's weighted average mean score was 3.82. Customers considered the product prices to be competitive, with a mean score of 3.97, and valued the quality for the price, with mean score of 3.78. Although the affordability and economic

aspect of prices were acknowledged with means of 3.75 and 3.69, special deals also had a positive impact on satisfaction with a mean of 3.89. In general, customers perceive the pricing as both fair and competitive.

Table 15
Customer Satisfaction Related to Service

Statement	N	Min	Max	Mean	Std.Deviation
Employees are polite and friendly	300	1	5	4.12	0.84
Employees provide accurate information	300	1	5	3.91	0.83
Employees are willing to help customers	300	1	5	3.98	0.84
Employees are available when needed	300	1	5	3.86	0.81
Employees are knowledgeable about products	300	1	5	3.87	0.82
Weighted Average Mean (Service)				3.95	

Customer satisfaction with service was notably high, with a weighted average mean of 3.95. The politeness and friendliness of employees received the highest rating (mean = 4.12), followed by their willingness to help (mean = 3.98). The accuracy of information provided by employees, their availability, and product knowledge were also well-rated (means = 3.91, 3.86, and 3.87 respectively), demonstrating strong customer approval of the service quality.

Table 16
Customer Satisfaction Related to store Environment

Statement	N	Min	Max	Mean	Std.Deviation
The store layout is attractive	300	1	5	4.03	0.81
The store is clean and tidy	300	1	5	4.05	0.86
The store is spacious	300	1	5	3.96	0.79
The store has adequate lighting	300	1	5	4.02	0.81
The store is well-ventilated	300	1	5	4.01	0.82
Weighted Average Mean (Store Environment)				4.01	

The highest overall satisfactions score was given to the store environment, with a weighted average mean of 4.01. The cleanliness and tidiness of the store received a high rating of 4.05, as did the attractiveness of the store layout with a rating of 4.03. Customers highly valued the store's physical environment, with good lighting, ventilation, and spaciousness receiving average scores above 3.9.

Table 17

Customer Satisfaction Related to convenience

Statement	N	Min	Max	Mean	Std. Deviation
The store location is convenient	300	1	5	4.10	0.84
The store hours are convenient	300	1	5	4.12	0.83
The store provides convenient parking	300	1	5	4.00	0.81
The store offers home delivery	300	1	5	3.88	0.80
The store provides online shopping	300	1	5	3.85	0.79
Weighted Average Mean (Convenience)				3.99	

The supermarket's convenience aspects received a high scorer, averaging 3.99. Customers discovered that the store's location and operating hours were highly convenient (means = 4.10 and 4.12). Positive ratings were given to parking convenience and home delivery services (means = 4.00 and 3.88 respectively), as well as to the availability of online shopping (mean = 3.85). This suggests the supermarket is conveniently reachable and provides adaptable shopping choices.

Table 18

Customer Satisfaction Related to Loyalty Programs

Statement	N	Min	Max	Mean	Std.Deviation
The loyalty program is rewarding	300	1	5	3.92	0.80
The loyalty program offers good discounts	300	1	5	3.94	0.81
The loyalty program is easy to understand	300	1	5	3.90	0.79
The loyalty program offers exclusive deals	300	1	5	3.88	0.78
The loyalty program encourages frequent shopping	300	1	5	3.91	0.80
Weighted Average Mean (Loyalty Programs)				3.91	

The loyalty programs were mostly positively accepted, receiving an average rating of 3.91. The discounts and rewards offered were highly valued (ratings = 3.94 and 3.92). Receiving positive ratings were the ease of comprehension of the loyalty program, special offers, and motivation for regular purchases (means = 3.90, 3.88, and 3.91). These scores indicate that customers value loyalty programs and they help in keeping customers. These tables dissect the data for every section, offering a precise look at the average and deviation for each statement.

4.4.2 Correlation Analysis

Having indicated the descriptive statistics, Kendall's correlation coefficients are computed and the results are presented in Table 16. More specifically, it shows the correlation coefficients of dependent and independent variables for responses regarding the customer satisfaction.

Table 19

Correlation Coefficients of Study Variables

	<i>CS</i>	<i>PRO</i>	<i>PRI</i>	<i>CI</i>	<i>CO</i>	<i>SE</i>	<i>PA</i>
CS	1						
PRO	0.290609	1					
PRI	0.388534	0.355372	1				
CI	0.33141	0.228163	0.284155	1			
CO	0.306851	0.203087	0.328476	0.490296	1		
SE	0.280712	0.246843	0.40425	0.450187	0.44826	1	
PA	0.471956	0.295824	0.435679	0.485043	0.463299	0.449812	1

Notes: Data were collected from questioner survey and results drawn from Excel 2020

Table 19 reveals the positive relationship of product with customer satisfaction. This means that better product leads to increase in customer satisfaction. Likewise, the study shows a positive relationship of price with customer satisfaction which indicates that price of the product in the supermarket leads to increase in the customer satisfaction. Similarly, the result also shows the positive relationship of customers interaction with customer satisfaction. This indicates that better personal interaction leads to higher customer satisfaction. The correlation matrix also shows a positive relationship of convenience with customer satisfaction which reveals that if the customer feels convenient in the market, then it leads to higher customer satisfaction. Likewise, the study shows a positive relationship of physical appearance with customer satisfaction indicating that if the product is exposed clearly or well managed, higher would be the customer

satisfaction. Also, the correlation matrix shows that there is positive relationship between service and customer satisfaction which reveals that better service leads to a higher satisfaction to the customer in the supermarket.

4.4.3 Regression Analysis

This part focuses on regression outcomes from different model specifications to analyze the estimated connection between customer satisfaction and product, price, personal interaction, convenience, physical appearance, and service in supermarkets.

Table 20

Regression of study variables

<i>Regression result of study variable</i>	<i>Coefficients</i>	<i>Standard Error</i>	<i>t Stat</i>	<i>P-value</i>
Intercept	1.541654	0.257006	5.998507	5.86E-09
PRO	0.110958	0.054264	2.044774	0.04177
PRI	0.158206	0.050426	3.137384	0.001878
CI	0.072033	0.047416	1.519174	0.129797
CO	0.040842	0.052361	0.780006	0.436017
SE	0.01633	0.050847	0.3212	0.748289
PA	0.256336	0.054022	4.74506	3.26E-06

$R^2=0.285$ $Adj R^2=0.2708$ $Fstat=19.51$ $Significance= 0.00037$

Notes: Data were collected from questioner survey and results drawn from Excel 2020

Table 19 indicates that the beta values are positive for product when it comes to customer satisfaction. The R2 value is 0.285, Adj-R2 is 0.2708, and F stat is 19.51. The independent variable explains 28.5% of the CS value, while specifically only 27.08% is explained by independent variables. It suggests that the product positively affects customer satisfaction. This discovery aligns with the results of Fornell's study from 1992. Similarly, the findings also indicate that the beta values for price exhibit a positive relationship with customer satisfaction. It shows that customer satisfaction is positively influenced by the price. This discovery is comparable to any of Wen-Shinn Low et al.'s (2013) findings. Likewise, customer satisfaction shows positive beta coefficients with customer interactions. It suggests that customer satisfaction is positively affected by personal interaction. This discovery aligns with the research of Wen-Shinn Low and colleagues in 2013.

The outcome shows that customer satisfaction is positively correlated with beta coefficients for convenience. Customer satisfaction is positively influenced by the convenience provided to customers. This discovery aligns with Nguyễn Thị Thu Thuong's (2016) research. Similarly, the way someone looks can positively influence customer satisfaction. This discovery aligns with the study by Parasuraman et al. (1988). Additionally, the findings show that the beta values for service exhibit a positive relationship with customer satisfaction. It shows that customer service has a beneficial effect on customer happiness. This discovery aligns with Agbor's (2011) findings.

4.5 Discussion

This research predominantly examined how shopping factors affect customer satisfaction at supermarkets in Nepal. This research utilized various elements such as product, pricing, customer engagement, convenience, physical presentation, and service. Customer satisfaction is the variable that depends on other factors. The findings reported in this research are derived from the grocery store located in Kathmandu Valley.

The majority of respondents are male (48 percent), with the remainder being female in the respondent's profile. The age group 21-40 years is where most respondents, specifically 255 out of 300 (85%), fall into. 3 out of 300 respondents (1%) are under 20 years old. Additionally, 42 participants, which make up 14% of all participants, are between the ages of 41 and 60. The research indicates that most of the participants (216) make up 72% of the total participants, possess a +2/bachelor's degree, with 42 participants holding below SLC accounting for 14% of the total participants. On the other hand, only 5 participants, representing 1.7%, have basic literacy skills, while 37 participants (12.3%) have obtained a master's degree. The majority of participants (201) are not married. Likewise, 93 participants (31%) are currently spouses, while 6 participants are divorced.

Out of 300 participants, 127 individuals shop over three times a month, which is equivalent to 42.3%. Likewise, 119 participants (39.7%) shop three times a month and 14% shop twice a month. Once a month, twelve participants (4%) engage in shopping.

The majority of participants earn between 25,000-35,000 (34%), with 27.7% (83 participants) earning less than 25,000. Out of the total number of respondents, 74

individuals, making up 24.7%, reported a monthly income between 35,001 and 55,000. Out of the total 300 respondents, 122 (41%) were discovered to earn a monthly income exceeding 55,001. Among them, 159 individuals (53%) are employed, while 18.7% are self-employed. Out of the total respondents, 54 (18%) are students. 31 individuals participate in their household tasks.

Out of the 300 participants, 71.3% are of the opinion that supermarkets provide a wide range of products. When it comes to waiting, 69.7% of people say that waiting at the counter disrupts their shopping experience. 63.7% of participants stated that supermarkets offer a diverse selection of sizes and shapes to meet their specific needs. Most people (57%) prefer supermarkets because of the variety of products they offer, while others (19.3%) are attracted by their competitive prices. Accessibility accounts for 8.7% of the reasons why people choose a specific supermarket, while 7.7% choose based on the service provided and 7.3% are influenced by their family.

The correlation matrix shows a favorable connection between the product and customer satisfaction. The outcome indicates that customer satisfaction is positively influenced by price, customer interaction, convenience, and physical appearance. Additionally, the findings indicate that customer satisfaction is influenced positively by the level of service provided.

The regression analysis results indicate that the beta coefficients for the product have a positive relationship with customer satisfaction. It suggests that the product positively affects customer satisfaction. Similarly, the findings also indicate that the beta values for interpersonal communication have a positive correlation with customer satisfaction. It shows that customer satisfaction is positively affected by personal interaction. Likewise, customer satisfaction generates positive beta coefficients for convenience. It suggests that convenience practices have a favorable effect on customer happiness.

The outcome also shows that physical appearance has positive beta coefficients in relation to customer satisfaction. It shows that the physical appearance of the product has a beneficial effect on customer satisfaction. Similarly, the positive beta values of price suggest that price directly contributes to customer satisfaction.

After completing the full data analysis, the initial hypothesis (H1) concerning the positive correlation between the product and customer satisfaction is supported. The research indicates that a high-quality product leads to increased customer satisfaction. In the same way, the second hypothesis (H2) which focuses on the positive connection between price and customer satisfaction is supported.

Likewise, hypothesis three (H3) regarding the positive correlation between customer interaction and customer satisfaction is rejected due to being statistically insignificant ($p = 0.129$). In the same way, the fourth hypothesis (H4) regarding the positive correlation between convenience and customer satisfaction is not supported due to its lack of statistical significance ($p=0.436$). The fifth hypothesis (H5) is confirmed because there is a direct correlation between physical appearance and customer satisfaction. Once the products are physically displayed in the supermarket, customer satisfaction levels rise. The sixth hypothesis (H6) that states service is positively related to customer satisfaction is rejected due to its lack of statistical significance ($p= 0.748$).

CHAPTER V

SUMMARY AND CONCLUSION

This section provides a concise overview of the entire research. It also points out the main discovery of the research. Furthermore, the key findings are addressed in a distinct section within this chapter. Similarly, suggestions concerning the research are also outlined in a distinct part of this chapter. Finally, the chapter concludes with the exploration of potential areas for future research within the same field.

5.1 Summary

Today, businesses must shift their focus from products to customers in order to succeed. This task is becoming harder as customers are now more sophisticated, knowledgeable, and well-informed. They hold high hopes for the service they expect to receive. They desire more options and refuse to be influenced or persuaded into buying something. Hence, nowadays customers are eager to receive personalized treatment. They desire to be appreciated and to sense the significance of their patronage. Complete customer care can only happen when both the needs of internal and external customers are taken into accounts. Factors such as tangibility, reliability, responsiveness, assurance, empathy, and security influence whether customer service meets customers' expectations. Nevertheless, a dedicated employee puts in effort both mentally and emotionally to provide top-notch service for the customer. The thesis aimed to study the factors that influence customer satisfaction and loyalty, in order to enhance tangibility, reliability, responsiveness, assurance, empathy, and security.

The constant and rapid changes has become a significant issue in supermarkets due to the continual rise in global competition, advancing technology, and increasing customer service expectations. In the current world, companies are functioning in a fiercely competitive and globalized setting. Survival is a major priority for numerous businesses, as they are continuously looking for ways to gain a competitive edge through the use of key ingredients (Jayasingam & Yong, 2013). In modern times, microfinance institutions realize that simply satisfying customers is not enough to attract good ones. They understood the importance of creating innovative approaches and recognized the need for a significant transformation in this regard. If not, it is probable that their rivals will uncover the hidden potential of methods and act swiftly.

The quality is seen as the outcome of a subjective evaluation in which the customer measures their expectations against the actual outcome. Additionally, a greater level of customer satisfaction does not always come from a higher product quality (Oliver, 1980). We can agree with the statement, except that increased customer satisfaction does not always equate to higher perceived product quality for a particular consumer. She also discusses important elements that impact customer happiness and that can be utilized to gauge customer contentment. These elements consist of: product, pricing, customer service, distribution, and reputation (Zamazalová, 2008).

Customer satisfaction and loyalty are important constructs that have had an impact on administrative concepts since the 1990s. Companies should focus on customer loyalty as a main strategy for future growth and improvement, as loyal customers can provide valuable services. (Vilares & Coelho, 2003) In a study conducted by Srivastava & Rai (2013) on the life insurance sector in India, it was discovered that customer satisfaction plays a crucial role in customer loyalty. Additionally, the quality of service is closely linked to customer satisfaction, which in turn influences customer loyalty.

The primary objectives of the research is to analyze and evaluate the impact of shopping elements on customer contentment in Nepali grocery stores. The study aimed to identify how factors such as product, price, personal interaction, convenience, physical appearance, and service impact customer satisfaction in Nepalese supermarkets. It also aimed to analyze the correlation between these factors and to identify the most significant factor in defining customer satisfaction in Nepalese supermarkets.

The participants in the research are the supermarket's clientele. An analysis was conducted on the viewpoints of 300 respondents to understand how customer perceive shopping elements and their effect on satisfaction in Nepalese supermarkets. In Nepalese supermarket, a non-parametric test like Kendall's tau-b and step-wise regression was carried out to examine how shopping factors are related to customer satisfaction. The descriptive research design was carried out to gather information on various variables. The research centers on analyzing primary data collected through online distribution of questionnaires. 300 samples are collected for the studies based on the population.

Summary of the key findings of this study is based on the analysis of data.

1. Majority of the respondents are female (47.6 percent) and the rest of the respondents are female (52.4 percent)
2. Majority of the respondents fall under the age group of 21-40 years (85 percent) followed by age group of 41-60 years (14 percent), and below 20 years (1 percent).
3. Among total respondents, majority of the respondents (216 respondents) constituting 72% of total respondents hold +2/bachelor's degree, which is followed by master degree 37 respondents constituting 12.3% of total respondents, However, only 5 respondents constituting 1.7% and 42 respondents constituting 14% just literate and below SLC respectively.
4. Majority of the respondents i.e. 127 have a shopping habit of more than three times in a month which is 42.3 percent of total respondents. Also, 42 respondents have a shopping habit of twice in a month and more than thrice a month which is 42.3 percent. Similarly, 12 respondents have a shopping habit of once a month which is 4 percent of total respondents.
5. Weighted average mean for product is 3.87 which indicates that product in the context of Nepalese supermarket has been executed properly. This also indicates that in Nepalese supermarket customers are satisfied in overall basis. Therefore product variable have significant effect on customer satisfaction.
6. Weighted average mean for price is 3.87 which indicates that price in the context of Nepalese supermarkets has been executed satisfactory. This also indicate that in Nepalese supermarket customers are satisfied and the price in the context of Nepalese supermarket is good.
7. Weighted average mean for customers interaction is 3.70 which indicate that personal interaction in the context of Nepalese supermarket has been implemented satisfactory. This also indicates that Nepalese supermarket's personal interaction is satisfactory.
8. Weighted average mean for convenience is 3.85 which indicates that convenience in the context of Nepalese supermarket has been performed properly. Thus, it can be concluded that convenient practices is good. Customers are satisfied with the convenience.

9. The weighted average mean for physical appearance is 3.89 which indicates that physical appearance in the context of Nepalese supermarket has been executed properly. Thus, it can be concluded that customers are satisfied with the supermarket.
10. The weighted average mean for service is 3.97 which indicate that customer in the context of Nepalese supermarket has been satisfactory. Thus it can be concluded that customers are satisfied with their jobs.
11. Weighted average mean for customer satisfaction is 3.52 which indicate that customer satisfaction towards their supermarket in context of Nepal has been better. This also indicates that customers' perception toward their organization is good and they are satisfied with it.
12. The result of correlation analysis show that product, price and personal interaction have positive relationship with customer satisfaction.
13. The result of correlation analysis also show that convenience, physical appearance and service have positive relationship with customer satisfaction.
14. The results of regression analysis shows that the beta coefficients for product are positive with customer satisfaction. It indicates that the product has a positive impact on customer satisfaction.
15. Likewise, the result also shows that the beta coefficients for price are positive with customer satisfaction. It reveals that price has a positive impact on customer satisfaction.
16. In t, the beta coefficients for personal interaction are positive with customer satisfaction. It indicates that there is a positive impact of personal interaction on customer satisfaction.
17. The results also reveal that the beta coefficients for convenience are positive with customer satisfaction. It reveals that convenience have a positive impact on customer satisfaction.
18. Likewise, the positive beta coefficient of physical appearance indicate that better physical appearance has a positive impact on customer satisfaction.
19. Also, the result reveal that the beta coefficient for service is positive with customer satisfaction. It reveals that service have a positive impact on customer satisfaction.

20. Among all the independent variables, price, personal interaction and service are the major determinants of customer satisfaction in Nepal.

5.2 Conclusion

The research indicates that customer satisfaction is positively influenced by price, product, and personal interaction. Similarly, customer satisfaction is enhanced by convenience, physical appearance, and service. The research also shows that customer satisfaction is greatly increased by service and convenience.

The research finds that improved pricing and product visibility impact customers at Nepalese supermarkets. In the same manner, the research also finds that the employee's personal interaction and the convenience of finding products in the supermarket are key factors influencing customers.

5.3 Implications

On the basis of the findings of the study, the following recommendations are made for further improvement on the supermarket of Nepal in order to increase customer satisfaction in the context of Nepalese supermarket.

- i. The study observed a positive relationship of price with customer satisfaction. Hence, the supermarket willing to increase customer satisfaction level should focus more on price factors.
- ii. Based on the study, the super market willing to increase customer satisfaction level should focus on product. Since, the study observed a positive relationship between product and customer satisfaction.
- iii. The study found that personal interaction is positively related to customer satisfaction. Hence, the supermarket willing to increase customer satisfaction level should focus more on providing better conversation and interaction with the customers.
- iv. The study found that convenience and customer satisfaction are positively related and hence the supermarket willing to increase customer satisfaction level should focus more on providing convenient facility which will be beneficial and acceptable to the customers.
- v. The study observed that physical appearance and customer satisfaction are positively related and hence the supermarket willing to enhance customer

satisfaction should focus more on physical appearance or tangibility of the products.

- vi. The study also found that service and customer satisfaction are positively related and hence the supermarket willing to increase customer satisfaction level should focus more on the services that is provided to the customers which will be beneficial to the customers and indirectly to the supermarket.

Scope for future research

This study has tried to cover the issues related to the impact of shopping factors on customer satisfaction. Therefore, further studies can be carried out on the basis of the findings of this study. Some of the future scopes of this study are listed as below:

- i. In this study, only supermarkets' customers were taken as sample respondents, where further studies can include other markets like department stores, grocery shops and local shops to grab wider view of internal marketing and customer satisfaction.
- ii. Only Six dimensions of supermarkets were derived to determine its effect on customer satisfaction. Beside these factors the various attribute of the service quality such as reliability, assurance and various other variables could be taken at once.
- iii. This study has taken only primary data as sample. Academicians are suggested to take secondary data as a sample for more convenient result.
- iv. There are only few research works related to customer satisfaction and features of supermarket. This study can assist other researchers when conducting similar kinds of research works. As in this study there are numbers of prospective matter to be researched from the findings generated from this research work.
- v. The sample size undertaken for this research was very limited, so that in future other researchers could select more number of samples so that the better and more reliable result could be achieved.
- vi. Therefore in future more professional research should be conducted so that more accurate information could be gained and that will be helpful for the concern party to gain insights about factors leading to customer satisfaction.

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APPENDIXES

Customer Satisfaction: A Study of Supermarkets in Nepal

Dear Respondent,

I am pleased to inform you that I am undertaking a Graduate Research Project entitled “**Customer Satisfaction: A Study of Supermarkets in Nepal**” under the guidance of Prof. Dr. Yuga Raj Bhattarai to meet the partial fulfillment of the requirement for the Master Degree in Business Administration (MBA) from Excel Business College, Tribhuvan University. I kindly request you to fill up this questionnaire with your valuable attention and co-operation, which will help me to complete my research work effectively and efficiently.

I would also like to assure you that all information contained in this questionnaire will be kept confidential and used only at the aggregate level for research purpose. Your kind cooperation will be highly appreciated.

Thanking you.

Nabin Prasad Mainali (MBS Finance)

Nabin.mainali333@gmail.com

Mobile No. 9845605830

Section A: Respondent profile

1. Name (Optional).....
2. Province : a) b) c) d) e) f) g) 7
3. Gender: Male Female Other
4. Marital Status: Married Unmarried Divorced
5. Please tick the appropriate options below:

Age	Education	Shopping Frequency	Monthly income	Occupation
<input type="checkbox"/> Below 20	<input type="checkbox"/> Literate	<input type="checkbox"/> Once a month	<input type="checkbox"/> Less than 25,000	<input type="checkbox"/> Household
<input type="checkbox"/> 21-40	<input type="checkbox"/> Below S.L.C	<input type="checkbox"/> Twice a month	<input type="checkbox"/> 25,000-35,000	<input type="checkbox"/> Student
<input type="checkbox"/> 41-60	<input type="checkbox"/> +2/Bachelor	<input type="checkbox"/> Thrice a month	<input type="checkbox"/> 35,001- 55,000	<input type="checkbox"/> Business

<input type="checkbox"/> 61 or above	<input type="checkbox"/> Master Above	<input type="checkbox"/> More than thrice a month	<input type="checkbox"/> 55,001 and above.	<input type="checkbox"/> Employee
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Section B : Customer perception and product range

1. Supermarket offers sufficient variety of product range?
a) Yes b) No

2. Waiting time on counter impact your shopping experience?
a) Yes b) No

3. It was easy for me to find something in my size?
a) Yes b) No

4. What is your reason for choosing Supermarket? (Multiple Choice)
 - a) Influence from family and friend
 - b) Product range
 - c) Price charged
 - d) Accessibility
 - e) Service delivered

Section C: Factors influencing customer satisfaction in Nepalese Supermarket

This section is seeking your opinion regarding the factors that influence customer satisfaction in Nepalese Supermarket. Respondents are asked to indicate the extent to which they satisfied or not satisfied with each statement using 5 Likert scale [(1) = Strongly Agree; (2) = Agree; (3) = Neutral; (4) = Disagree and (5) = Strongly Disagree] response framework.

Please TICK [√] one number per line to indicate the extent of your satisfaction with following statements.

Factors Satisfaction in Nepalese Supermarket						
S.N.	Product	1	2	3	4	5
1	Products in supermarket are enduring.					
2	The supermarket has a variety of product range.					
3	You find goods with clear label and origin in supermarket.					
4	You find branded goods in					

	supermarket.					
5	You find fresh product in supermarket.					

S.N.	Price	1	2	3	4	5
1	Price of the product in the supermarket is competitive.					
2	Supermarket provides special discounts on special occasions.					
3	Membership card is available and effective.					
4	The actual prices of the products in the supermarket are hidden.					
5	The price made me to buy the product in supermarket.					

S.N.	Customer Interaction	1	2	3	4	5
1	Staffs have enough knowledge to answer your questions.					
2	Staff response to your quires quickly.					
3	Staff assistance during purchase is good.					
4	The billing system is correct and effective.					
5	The staff always deals with a hospitality manner.					

S.N.	Convenience	1	2	3	4	5
1	Location of supermarket is easily accessible.					
2	Convenient and safe parking facility is available.					
3	Mode of payment is flexible (Credit					

	Cards, Debit Cards, Credit Facilities, Phone pay).					
4	Supermarket has good returns policies.					
5	Extra facilities such as washroom are easily accessible within premises.					

S.N.	Facility and Service	1	2	3	4	5
1	Children play zone is available.					
2	Home Delivery service is available.					
3	Food courts are easily accessible within premises.					
4	Security of supermarket is reliable.					
5	All the products needed are available in the supermarket.					

S.N	Physical Appearance	1	2	3	4	5
1	Cleanliness of the store is satisfactory.					
2	Shop floor is very spacious (lot of space).					
3	Color and background music is good.					
4	Layout facilitates to find out the products easily.					
5	Supermarket has relaxing benches.					

Section D: Customer Satisfaction regarding supermarket

Customer Satisfaction regarding supermarket						
S.N.	Customer Satisfaction	1	2	3	4	5
1	I think shopping in this supermarket is a right decision.					
2	I often buy the products from the same supermarket.					

3	I usually talk about the supermarket with my family and friends.					
4	The supermarket aims to satisfy me as a customer.					
5	I will recommend other people to buy the products from the supermarket.					

THANK YOU!!!

CUSTOMER SATISFACTION: A STUDY OF SUPERMARKETS ...

By: Nabin Prasad Mainali

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