

Impact of Service Quality on the Customer Satisfaction of the Self Service Retail Shops in the Uva Province

A. M. I. Madhurangani and K. M. M. C. B. Kulathunga

Uva Wellassa University, Sri Lanka

For most businesses, enhancement of Customer Satisfaction is directly focused on their future revenue streams. To increase the number of retail shops within the industry, retailer applies various strategies to retain existing customers and to attract new customers and broaden the customer base. The Service Quality has become a forceful competitive tool in the retail industry. The aim of this research was to identify the existing situation of Service Quality provided by self service retail shops with Customer Satisfaction and identify the dimension that is the best predictor of overall Service Quality. Based on the literature review a conceptual framework was developed and tested. Primary data were collected from a systematically selected sample of 300 customers. Both descriptive statistics and inferential statistics were used to analyze data. The findings indicate that if retail shops concentrate more on their Service Quality, the Customer Satisfaction is significantly improved since there is a positive relationship between Service Quality provided by self service retail shops and their Customer Satisfaction. Further, the study reveals that the customers are almost satisfied with the existing situation of service quality provided by self service retail shops in the Uva province. The results further reveal that the Service Quality dimensions of Accessibility, Physical Appearance, Range of Products and Security directly influence the Customer Satisfaction while changes of Efficiency do not affect the Customer Satisfaction. Moreover, findings expose that Physical Appearance is the best predictor of service Quality in terms of generating more Customer Satisfaction towards the self service retail activities.

Key words: Service Quality, Customer Satisfaction