THE INFLUENCE OF SERVICE QUALITY ON CUSTOMER SATISFACTION AT A SELECTED FOOD RETAILER IN DURBAN

By

Bhekiwe Nontokozo Simelane

21209334

This dissertation is submitted in partial fulfilment of the requirements for:
Master of Management Sciences: Retail Business Management
In the Faculty of Management Sciences at the
Durban University of Technology

APPROVED FOR FINAL SUBMISSION

23.10.2020

Supervisor:

Prof J.P. Govender (PhD, M Com, B Com Hons, B Paed)
DECLARATION

I, Bhekiwe Nontokozo Simelane, declare that all the work presented in this dissertation is my own research, except where indicated. All references are accurately presented to the best of my ability.

____________________

Bhekiwe N Simelane
DEDICATION

This work is dedicated to God Almighty, my creator and the master of the universe who made it possible for me to undertake and successfully complete this study.
ACKNOWLEDGEMENTS

Firstly, I give thanks and praise to God Almighty for the gift of life He has given me, among other endless blessings in my life and for making it possible for me to complete this project.

I would like to thank my supervisor for his continued support, encouragement, giving me direction and constructive criticism and being patient with me throughout this research project.

To my loving and supportive parents, I express my greatest appreciation for the patience and support that they have always shown me. I dedicate this to my special mother who always encouraged me to pursue my studies and my father who always believed in my abilities.

Special thanks to my friend, Makhosazane Buthelezi, for your support and helpful ideas throughout this research study. You have always been there when I needed you. I sincerely appreciate your company.
ABSTRACT

In today's competitive retail environment, many retailers need to develop strategies to compete. The current marketplace has become more competitive and customers are continually expecting retailers to match or exceed their expectations. Retailers should ensure that their service strategies are customised to meet the expectations of customers. In order for supermarkets to retain customers, they need to deliver exceptional service. Superior service quality and customer satisfaction must be promoted and maintained in order for the retailer to be the retailer of choice.

The aim of this study was to evaluate service quality and the influence it has on customer satisfaction at a selected food retailer in Durban. A quantitative study was conducted in the form of a descriptive survey. The SERVQUAL instrument was used to assess customers' expectations and perceptions of customer satisfaction. The quality dimensions included tangibles, reliability, responsiveness, assurance and empathy. A sample of 400 respondents were surveyed using the SERVQUAL questionnaire. Self-administered questionnaires were distributed amongst participants. The respondents were selected using non-probability sampling, within which convenience sampling was applied.

The findings revealed that a majority of respondents were generally satisfied with the quality of services offered by the selected retailer. The results showed no significant difference between customers' expectations and their perceptions. Although these gaps were relatively small, they are important in highlighting areas for improvement.

Therefore, it is recommended that the selected retailer should continue to uphold service quality as customers are the key to a successful retailer. Best practices should be considered to guarantee that customers are satisfied at all times. Providing superior customer service can give a retailer a competitive advantage.
# TABLE OF CONTENTS

## CHAPTER ONE: INTRODUCTION

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.1 INTRODUCTION</td>
<td>1</td>
</tr>
<tr>
<td>1.2 BACKGROUND TO THE STUDY</td>
<td>2</td>
</tr>
<tr>
<td>1.3 STATEMENT OF THE RESEARCH PROBLEM</td>
<td>3</td>
</tr>
<tr>
<td>1.4 AIM OF THIS STUDY</td>
<td>4</td>
</tr>
<tr>
<td>1.5 OBJECTIVES OF THE STUDY</td>
<td>4</td>
</tr>
<tr>
<td>1.6 RATIONALE FOR THE STUDY</td>
<td>5</td>
</tr>
<tr>
<td>1.7 SCOPE OF THE STUDY</td>
<td>5</td>
</tr>
<tr>
<td>1.8 SUMMARY OF THE RESEARCH METHODOLOGY</td>
<td>6</td>
</tr>
<tr>
<td>1.8.1 Study Approach</td>
<td>6</td>
</tr>
<tr>
<td>1.8.2 Target Population Selection</td>
<td>6</td>
</tr>
<tr>
<td>1.8.3 Data Collection</td>
<td>6</td>
</tr>
<tr>
<td>1.8.4 Characteristics of the Questionnaire</td>
<td>7</td>
</tr>
<tr>
<td>1.8.5 Data Analysis</td>
<td>7</td>
</tr>
<tr>
<td>1.9 OUTLINE OF THE DISSERTATION CHAPTERS</td>
<td>7</td>
</tr>
<tr>
<td>1.9.1 Chapter One: Introduction and background to the problem</td>
<td>7</td>
</tr>
<tr>
<td>1.9.2 Chapter Two: Literature review</td>
<td>7</td>
</tr>
<tr>
<td>1.9.3 Chapter Three: Research methodology</td>
<td>8</td>
</tr>
<tr>
<td>1.9.4 Chapter Four: Data analysis and interpretation</td>
<td>8</td>
</tr>
<tr>
<td>1.9.5 Chapter Five: Conclusions and recommendations</td>
<td>8</td>
</tr>
</tbody>
</table>

## CHAPTER 2: LITERATURE REVIEW

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.1 INTRODUCTION</td>
<td>9</td>
</tr>
<tr>
<td>2.2 DEFINITION OF KEY TERMS</td>
<td>10</td>
</tr>
<tr>
<td>2.2.1 Customer satisfaction</td>
<td>10</td>
</tr>
</tbody>
</table>
2.2.2 Service quality ................................................................. 10
2.2.3 Customer expectations ..................................................... 10
2.2.4 Customer perceptions ...................................................... 10
2.3 THE IMPORTANCE OF RETAILING IN SOUTH AFRICA .......... 11
2.3.1 Food retailers in South Africa ........................................... 11
2.4 SERVICE QUALITY ............................................................... 13
2.5 CHARACTERISTICS OF SERVICES ....................................... 14
2.5.1 Intangibility ................................................................. 15
2.5.2 Inseparability ............................................................... 15
2.5.3 Variability ................................................................. 16
2.5.4 Perishability ............................................................... 16
2.6 APPROACHES TO QUALITY ............................................... 17
2.6.1 The transcendent approach .............................................. 18
2.6.2 The user-based approach ................................................ 18
2.6.3 The product-based approach ......................................... 18
2.6.4 The manufacturing-based approach ................................. 18
2.6.5 The value-based approach ............................................. 18
2.7 SERVICE QUALITY DIMENSIONS ....................................... 19
2.7.1 Reliability ................................................................. 20
2.7.2 Responsiveness .......................................................... 20
2.7.3 Assurance ................................................................. 21
2.7.4 Empathy ................................................................. 21
2.7.5 Tangibles ................................................................. 21
2.8 BENEFITS OF SERVICE QUALITY .................................... 22
2.9 SERVICE QUALITY MODELS ............................................. 23
2.9.1 The Gronroos Service Quality Model ............................ 23
2.9.2 The Gaps Model Of Service Quality ............................... 26
2.9.3 SERVQUAL Instrument ............................................... 29
2.10 CRITICISM OF THE SERVQUAL INSTRUMENT ............... 31
2.11 CUSTOMER PERCEPTION OF SERVICE QUALITY ............................................... 32
2.11.1 Customer Perception Process ................................................................. 32
2.12 CUSTOMER EXPECTATION OF SERVICE QUALITY ...................................... 33
2.12.1 Levels of Expectations ........................................................................... 33
2.12.2 Issues Involving Customer Expectations .................................................. 36
2.12.3 Guidelines for Exceeding Customer Expectations .................................... 35
2.13 CUSTOMER SATISFACTION ......................................................................... 39
2.14 PROPOSED MODEL OF THE EXPECTANCY MODEL OF SATISFACTION ......................................................... 41
2.14.1 The Expectancy Model of Satisfaction ....................................................... 41
2.14.2 Stages of proposed model of the expectancy model of satisfaction .......... 44
2.14.3 Disconfirmation ....................................................................................... 44
2.14.4 Confirmation ........................................................................................... 45
2.15 CUSTOMER RETENTION ............................................................................ 46
2.16 CUSTOMER RELATIONSHIP MANAGEMENT ............................................ 47
2.17 CONCLUSION ............................................................................................. 49

CHAPTER 3: RESEARCH METHODOLOGY
3.1 INTRODUCTION ............................................................................................. 50
3.2 STUDY APPROACH ....................................................................................... 50
3.3 RESEARCH DESIGN ...................................................................................... 51
3.4 TARGET POPULATION ............................................................................... 51
3.5 SAMPLING METHOD ................................................................................... 52
3.6 SAMPLE SIZE .............................................................................................. 53
3.7 QUESTIONNAIRE DESIGN ......................................................................... 54
3.8 MEASURING INSTRUMENT ........................................................................ 55
3.9 DATA COLLECTION ...................................................................................... 55
LIST OF TABLES AND FIGURES

TABLES

Table 3.2: The Five Dimensions of Service Quality ................................................................. 54
Table 4.2: Reliability statistics for expectations and perceptions ........................................... 60
Table 4.3: KMO and Bartlett's Test ............................................................................................ 61
Table 4.4: Rotated Component Matrix ...................................................................................... 63
Table 4.5: Tangibles scoring patterns .......................................................................................... 66
Table 4.6: Reliability scoring patterns ......................................................................................... 67
Table 4.7: Responsiveness scoring patterns ................................................................................. 68
Table 4.8: Assurance scoring patterns ........................................................................................ 70
Table 4.9: Empathy scoring patterns ......................................................................................... 71
Table 4.10: Kruskal Wallis Test - Grouping Variable: Gender .................................................. 73
Table 4.11: Kruskal Wallis Test - Grouping Variable: Age ......................................................... 74
Table 4.12: Kruskal Wallis Test - Grouping Variable: Frequency of shopping at the retailer ................. 74

FIGURES

Figure 2.1 Functions of Retailing ............................................................................................... 12
Figure 2.2: Characteristics of services ......................................................................................... 15
Figure 2.3: Service quality dimensions ......................................................................................... 19
Figure 2.4: Gronroos Service Quality Model .............................................................................. 24
Figure 2.5: The SERVQUAL Gap Analysis Model .................................................................... 26
Figure 2.6: Customer perception process ..................................................................................... 33
Figure 2.7: Level of customer expectations ............................................................................... 34
Figure 2.8: Zone of tolerance .................................................................................................... 36
Figure 2.9: Relationship between customer satisfaction, loyalty and value ............................... 40
ANNEXURES

ANNEXURE 1: LETTER OF INFORMATION ......................................................... 110

ANNEXURE 2: LETTER OF PERMISSION TO CONDUCT RESEARCH .... 111

ANNEXURE 3: GATEKEEPER’S LETTER ............................................................. 112

ANNEXURE 4: QUESTIONNAIRE ................................................................. 115
CHAPTER ONE
INTRODUCTION TO THE STUDY

1.1 INTRODUCTION

Food retailing industry has changed drastically over the years, offering a pleasant shopping experience to customers. Retailers nowadays are conducting a number of events aimed at providing a fun, comprehensive, convenient, enjoyable and rewarding customer experience. Food Retailers must go beyond setting low prices and innovative products to survive in today’s competitive environment and unpredictable economic climate. By focusing on the customer’s buying experience, retailers can compete effectively.

Customer satisfaction is one of the greatest challenges facing food retailers and as a result, service quality is being used as a competitive strategy to satisfy customers in South Africa. For retailers to stay competitive in the industry, it is imperative that they understand their target market and ensure that they also offer excellent service quality. Retailers need to start paying attention to the development and implementation of service standards. Using service quality as an approach to managing business processes. This is critical in achieving overall customer satisfaction, which ultimately stimulates positive consumer behaviour and increases the overall competitiveness of the retail industry. This will assist retailers in managing the desired relationships with customers. Analysing and reviewing of the implemented standards will enable the retailer to find more effective strategies.

The topic of customer satisfaction and service quality in the food retailing environment has been highlighted in a number of studies. However, it should be emphasized that the quality of retail services is diverse and rather complex, because it is a combination of goods and services that are offered simultaneously. Retail service quality measurement cannot be performed in the same way as in any service environment.
The purpose of this study is to determine the impact of service quality on customer satisfaction at a particular food retailer in the Durban area. An overview of the research problem, objectives, research methodology and limitations of this study are provided.

1.2 BACKGROUND TO THE STUDY

Customer satisfaction is measured by how well a service or product supplied by a retailer meets the customers’ expectations. Satisfied customers have a positive impact on the profitability of every business. According to Anderson, Swaminathan, and Mehta (2013: 18), understanding the customer gives direction in how to best satisfy them. Customer satisfaction is considered to be the primary reason of a customer being loyal to the retailer. This enables retailers to increase customer lifetime value towards products and services. It also lessens bad word-of-mouth as the service or product meets customer expectations (Biedenbach, Bengtsson and Marell 2015: 178).

A study conducted by Chinomona and Sandada (2013: 437) found that customer satisfaction creates purchase repetition. He elaborates that customer satisfaction needs to be maintained on a regular basis. Often, many South African retailers fail to deliver customer satisfaction, thus creating inconsistency in the business which causes customers to switch from one retailer to another.

Businesses exist because of the customers that they serve. Customer satisfaction and service quality play an essential role in obtaining customer retention and competitive advantage. Customer dissatisfaction makes customers loose interest and they tend to switch to another retailer (Pappu and Quester 2016: 2). It is of vital importance for local retailers to know the importance of delivering the best quality service. Madupalli and Poddar (2014: 244) state that customers are now more outspoken and are not afraid to show their feelings regarding a service offered at retail outlets. Schiffman and Wisenblit (2015: 87) further explain that it is sometimes impossible to provide excellent satisfaction for customer needs because as goals are reached, new goals develop.
Retailers who know and fulfill customer needs tend to make more profits than those who fail at understanding and satisfying them. Improving service quality to customers is now a strategy for retailers to improve customer satisfaction and the shopping experience (Chandel 2014: 176). It is of vital importance that a detailed investigation is conducted to know and recognize the changing behavior of customers. This will enable retailers to deliver unique service strategies that please customers’ current expectations.

In regards to the intense competition within the food retail environment, this study will provide the retailer with various strategies that will ensure customer satisfaction. The retailer needs to ensure that the customer is the foundation of their business strategy and that they are able to satisfy the customer. Excellent service quality and customer satisfaction must be encouraged and sustained for the selected retailer to be the retail store of choice (John Maxwell 2017: 2).

1.3 STATEMENT OF THE RESEARCH PROBLEM

Today’s experience is more of a serious threat to businesses’ survival than it would have been 10 years ago. Customers have more power now and retailers can no longer provide unsatisfactory products and services (Price and Jaff 2015: 5). Understanding and predicting customer satisfaction is considered to be a competitive advantage factor in the retail environment. In the current context of food retail, it is difficult to maintain a competitive advantage. With the knowledge customers have it has become challenging for retailers since customers are now demanding customized products and services (Bouzaabia, Bouzaabia and Capatina, 2013: 628). Many retailers are developing competitive advantage by means of acquiring low-costs, offering excellent products and using modern technology (Wamalwa 2014: 158).

Growing diversity in the preferences of modern customers makes it impossible for retailers to satisfy every customer. Food retailers are more likely to face this challenge because of the tremendous diversity of products available (Peker, Kocyigit and Eren 2017: 545).
South African food retailers are struggling to provide consistent excellent customer service, which is leading to poor customer satisfaction. Competition is intense as the market is changing and evolving at a rapid pace (Competition in the retail industry is intense 2019: 1). Roberts-Lombard (2019: 1) postulates that food retailers in South Africa are under a lot of pressure as they are required to be always competitive; invest in research and development; and discover how to continuously keep the interest of customers in this challenging South African economy.

On the basis of the research problem, the motive of this research is to identify and get insight into service quality factors that affect customer satisfaction; ascertain customer expectations of service quality; identify factors that influence service quality and provide strategies that can be implemented to enhance customer satisfaction in the food retail environment. The selected retail store is not entirely aware of exactly which aspects are critical to their customers’ satisfaction levels. In consideration of the mentioned above, this study is concluded with the goal of evaluating and accessing customer satisfaction at a food retailer in Durban.

1.4 AIM OF THIS STUDY

The main aim of this study is to evaluate the influence of service quality on customer satisfaction at a selected food retailer in Durban.

1.5 OBJECTIVES OF THE STUDY

The objectives of the study are:

- To identify the service quality factors that influence customer satisfaction;
- To ascertain customers’ expectations of service quality;
- To investigate customers’ perceptions of service quality;
- To evaluate customer satisfaction by using the SERVQUAL instrument; and
- To provide competitive strategies which are capable of influencing customer satisfaction within the food retailing industry.
1.6 RATIONALE FOR THE STUDY

In order for customers to evaluate the quality of a service, they often compare their perceptions of the service they get with the expectations they had (Levy and Weitz 2012: 505). Meeting and exceeding of customer needs and wants is of vital importance to food retailers, as customers are regularly in need of satisfying goods and services. It is crucial for retailers to understand their customers’ needs and they must be able to satisfy those needs (Rahman and Safeena 2016: 259). Leonard (2019: 1) further elaborate that one of the main objectives in every business is to satisfy the customer. Customer satisfaction should be treated as an asset that needs to be observed and handled like any physical asset.

The purpose of this study is to access how service quality influences customer satisfaction at a selected food retailer in Durban. The selected food retailer is a national retailer that is trading strongly in the lower-to-middle income sector of the market. The retailer believes in understanding its customers and connecting to communities in which they trade. The retailer also trusts the innovation in value-added service to meet its under-served customers’ needs.

It is of vital importance for retailers to regularly assess customers’ perception of service quality so that the business processes can be revised and amended to meet the expectations of the customer. The management team could use the recommendations to enhance their strategies, which will be beneficial to the retail store. Customers would also like improved service quality. Implementation of the recommendations will result in more satisfied customers.

1.7 SCOPE OF THE STUDY

According to Simon (2011: 2), limitations are influences that the researcher does not have control over. There are certain influences that are beyond the researcher’s control. These influences therefore put restrictions on the methodology and conclusions. The limitations of this study were as follows:

- The sample was only restricted to the selected food retailer in Durban; and
Convenience sampling was utilised and therefore, the results of this study is not representative of the whole population.

1.8 SUMMARY OF THE RESEARCH METHODOLOGY

1.8.1 Study Approach
The study is quantitative and descriptive in nature. It evaluates service quality and the influence it has on customer satisfaction at the chosen retailer in the Durban area. A quantitative approach is a strong-willed measurement and arithmetical examination of data collected through the use of surveys (Labaree 2013: 4).

1.8.2 Target Population selection
Target population is a group of people the researcher is generally interested in (Rasinger 2014: 44). The target population for this particular study are consumers of the selected food retail store in Durban. The selected store is one of the busiest amongst the branches the retailer has in the Durban region.

1.8.3 Characteristics of the Questionnaire
An adapted SERQUAL questionnaire was administered for this study. This questionnaire was made up of 44 questions covering the five dimensions of service quality (tangibles, reliability, responsiveness, assurance, empathy). The questionnaire consisted of closed-ended questions and respondents selected possible answers. A five-point Likert scale was utilised to assess attitudinal variables. Research questions were in the simplest terms, which will make it easy for respondents to understand. The use of predetermined questions in the questionnaires with the response alternatives are present in the questionnaires. This will make it easier to appraise research data gathered. A covering letter informed respondents of the nature and purpose of the research (see Annexure 1).

1.8.4 Data Collection
Data collection is the process of finding different sources of information to ensure that a researcher gets a clear idea of the answer to the question under study (Rouse 2013: 90).
Trained students, who were taught on matters concerning the questionnaire, administered the questionnaires. Consent forms were presented and explained to respondents. The researcher ensured quality by conducting a certain number of questionnaires first, with the trained students being present to observe. The researcher also did regular checks to make sure that there is consistency.

1.8.5 Data Analysis
The Statistical Package for the Social Sciences (SPSS) version 23.0 was used to analyse the data. The questionnaires were re-counted to make sure that all participants have completed the questions satisfactory. The captured data was re-checked to guarantee that there were no capturing errors. Numerous analyses were performed on the captured data. The results were reflected in graphical presentation by using bar and pie charts. These provided simple summarises of samples and measures.

1.9 OUTLINE OF THE DISSERTATION CHAPTERS

The study consists of five chronologically organized chapters, ranging from introductory to the concluding chapter.

1.9.1 Chapter One: Introduction and background to the problem
Chapter one contains an introduction and background to this study. The research problem, the research objectives, the rationale of the study and research methodology are explained.

1.9.2 Chapter Two: Literature review
This chapter reviews literature relevant to customer service quality and its influence on customer satisfaction. The chapter also provides a literature review comparable to this study and establishes a theoretical foundation. Concepts relative to service quality and customer satisfaction are explored. The SERVQUAL and the service quality dimensions are described in terms of their application as a research tool.
1.9.3 Chapter Three: Research methodology
This chapter analyses the research design that will be applied in this study to collect information from the participants selected in the research field. The insight will be provided with regards to the sampling methods, the questionnaire and several other techniques that were implemented to analyze the results.

1.9.4 Chapter Four: Data analysis and interpretation
The aim of this chapter is to evaluate the statistical analysis of the data acquired in a form of questionnaires.

1.9.5 Chapter Five: Conclusions and recommendations
The final chapter of this study will be presented, the researcher will provide recommendations and suggestions for future research.
CHAPTER TWO
LITERATURE REVIEW

2.1 INTRODUCTION

It is not debatable that almost every business organisation was created mainly in order to satisfy its customers. This is because it is through satisfied customers that the business can achieve the rest of their objectives. It can include profit, growth, survival, and so on. Therefore, businesses should focus on bettering the quality of their products and/or services to achieve greater customer satisfaction.

Chapter one discussed the aim, objectives, research design and reasons for the study. This chapter will look at the extant literature on customer satisfaction and service quality. The importance of customer satisfaction and service quality in a retail store is also explained. The SERVQUAL instrument which was chosen to measure service quality is discussed in sections 2.9.3. This instrument together with the quality gap model, will describe the methods of proposing a way to assess customer satisfaction. The five-service quality dimension is mentioned in relation to the analysis of customer satisfaction at the nominated food retailer within the greater Durban area.

The literature review of this study will provide an outline of customer satisfaction and service quality. The meaning of customer satisfaction, its significance and issues concerning it will be explained. The review will also cover current literature on how the quality of service influences customer satisfaction. Service quality dimensions, service characteristics, approaches to service quality and its benefits are discussed in detail. Customer expectation and perception of service is also covered in the literature. Issues involving customer expectations and guidelines on how to overcome them are provided. Furthermore, a proposed model was constructed in section 2.14 to show the outcome of satisfaction.
2.2 DEFINITION OF KEY TERMS

2.2.1 Customer satisfaction
Al-Tit (2015: 130) explains that customer satisfaction is a marketing concept that assesses how the retailer's products or services meet or go beyond the customer's expectation. Therefore, it is crucial that customer's expectations are met. This gives retailers with an opportunity to enhance their businesses because they know what satisfies the customer.

2.2.2 Service quality
Service quality is defined as an evaluation of how the service rendered meets customers' expectations. The quality of a service is also defined by what the customer expects from the retailer. It is seen as the degree and direction of the mismatch between service and customer expectations (Boshoff 2014: 40).

2.2.3 Customer expectations
Kamaruddin, Osman and Pei (2012: 30) state that expectations are predictions made by the customer based on what will happen during a transaction. Furthermore, expectations are an anticipation of future consequences founded on previous knowledge, present circumstances or other sources of information.

2.2.4 Customer perceptions
Customer perception is a process whereby the customer selects and interprets things around the world. Customers can be exposed to the same stimuli or condition, but how they view, select or interpret is different (Subramaniam, Mohre and Kawde 2014: 2). According to Harris (2013: 16), perception is how one sees something based on one’s experience. The experience may be positive or negative. The type of service received therefore influences customer perceptions.
2.3 THE IMPORTANCE OF RETAILING IN SOUTH AFRICA

The retail environment is one of the biggest contributors to the South African economy and is therefore important to society. This industry adds value to goods and services (Terblanche 2013: 20). Oyekunle (2019) alludes that South Africa is the second largest economy in the continent. With the large number of retail manufacturers and wholesalers operating in South Africa, great volumes of sales are made within this sector, which shows the necessity of retailing to the economy of the country.

The retail industry represents more or less 14% of the entire gross domestic product in South Africa (Garg and Steyn, 2015: 244). Bawa, Gupta and Sharma (2013: 39) explain that the retail industry is categorized into different sectors, namely organized (licensed retailers) and unorganized sectors (unlicensed or informal retailers). According to Mafini and Dhurup (2015: 1295), the retail business in South Africa keeps on developing exponentially, as confirmed by the expansion in the quantity of new shopping centres. Retailers are divided into two significant zones; food retailers and general product. The most well-known food retailers that are noticeable in South Africa are full-administration grocery stores, hypermarkets, distribution centres and convenience stores (Terblanche, Beneke, Bruwer, Corbishley, Frazer, Pentz and Venter 2013: 42). Food retailers efficiently and creatively inform customers about the most recent products, services, trends and deals (William, 2013: 2357).

2.3.1 Food retailers in South Africa

The food retail industry in South Africa is very competitive, with retailers concentrating on price wars, competing for store locations, training their employees, improving their stores and offering store layouts that are easy to navigate. Physical features, customer service and pricing set apart a busy retail store from an unnoticed one. Therefore, products and services that are pleasing to the customer have the capability to stand out from the competition. When the value of a business is obvious it prevents service levels from decreasing (Ramjee, 2018: 1).
The marketplace is now more competitive due to the numerous retail options available to consumers. They are given more varieties for their buys, which has made more difficulties to retailers in welcoming new customers and retaining existing customers (Hui and Yee 2015: 65). John Maxwell (2017: 2) postulates that consumers are now in the power position and retailers are in a tough situation as they are facing technological upheavals. Retailers need to know and understand retailing functions and perform them correctly. These functions show the substance of retailing if they are performed properly. The operations performed in retailing are regarded as functions. The main function of retailing is the delivery of goods and services to its customers through sale and purchase (Urotadze and Mghebrishvili 2016: 358). Figure 2.1 shows the retailing sub-functions.

**Figure 2.1 Functions of Retailing**

2.4 SERVICE QUALITY

The success of a business is in the solid customer base. This can be attained by enhancing service quality to bring about customer satisfaction (Tseng and Wu, 2014: 77). Boshoff (2014: 40) states that the quality of a service is what the customer expects from the retailer. This is where customer service and expectations are conflicting. Kant and Jaiswal (2016: 414) further explain that service quality is seen as the dissimilarity between customer expectations of the service and perceived service. Service quality is described as an assessment of how the service rendered meets customers' expectations. Futrell (2014: 52) adds that a retailer’s perspective of service quality is known to be the ability to meet basics or specifications. Retailers need to hold on to existing customers and deliver exceptional service.

The quality of service is becoming more important nowadays. Retailers therefore have to improve their strategies to ensure sustainable competitive advantage from other retailers, satisfy their customers, and build customer loyalty (Yarimoglu, 2014: 80). The product quality and service quality offered by the retailer are significant contemplations in determining the general service quality for consumers. Customers are presently requesting excellent service that outperforms their expectation of service. This shows the success of the retail industry is to a great extent controlled by the services they offer, and service quality is critical to customer value (Chanaka, Ushantha, Wijeratne and Achchuthan 2014: 79). Furthermore, Terblanche, Beneke, Corbishley, Frazer, Pentz and Venter (2013: 265) state that it is critical for retailers to render high quality service. This ensures maintainable earnings, customer, optimistic word of mouth and customer loyalty.

Maintaining quality of service is not an easy task, as it must be constantly measured. This is done to access and classify areas that are accountable for service quality. Therefore, it is essential to be vigilant to the assessment of service quality in order to enhance value to the retailer and customers (Farooqi and Banerji 2013: 4).
Retailers are now aware of the significance of paying attention to the quality of services as a method of increasing customer satisfaction and loyalty. Service quality is an important competitive strategy to succeed in the marketplace. In the present focused retail industry, delivering service quality is of essential significance. Retailers can keep their existing customers and increase their market share by delivering high quality service (Auka, Bosire and Matern 2013: 34).

With the above expressed clarifications of service quality, it very well may be said that service quality is an assessment by customers. It is the evaluation of how well the service fulfils the customer’s expectations in relation to the perception of the genuine service delivery. The researcher will utilize this as an establishment while assessing service quality at the chosen retailer. Below the characteristics of services are discussed.

2.5 CHARACTERISTICS OF SERVICES

Services are usually “products” but have unique characteristics and market requirements. Most noticeable difference is that this service is intangible and is created through interaction with customers (Armstrong and Kotler 2013: 236). Vibha, Ravichandran and Jain (2011: 20) mention that there are four characteristics of services. Service quality has proved its significance in the past ten years due to the exceptional features involving intangibility, inseparability, variability and perishability. Du Plessis, Rousseau, Boshof, Ehlers, Engelbrecht, Joubert and Sanders (2012: 312) explain that these features provide retailers with new and diverse problems in the provision of services. Figure 2.4 below shows and briefly explains the four characteristics of customer service quality that present challenges to retailers presented by Armstrong and Kotler (2013: 236).
2.5.1 Intangibility
Intangibility of service is something that cannot be touched, heard, seen, smelt, or tasted before purchase (Mmutle and Shonhe 2017: 9). Armstrong and Kotler (2013: 237) further state that first, customers will not be able to touch the service, and later will find it difficult to understand psychological services. To minimize service instability, customers often rely on the quality of service, location, equipment, or communication received from providers of service. Customers usually build their assessment of service quality on people, place and communication received from providers of service.

2.5.2 Inseparability
Service and providers cannot be separated. It does not make a difference if providers are machines or individuals (Armstrong and Kotler 2013: 237). At the point when an employee begins offering an assistance, he/she turns out to be part of the service. Additionally, service users cannot be separated from it and they play a significant role in its conveyance. In contrast to purchaser items, customer service is normally not made for later consumption (Boshoff 2014: 39).
Terblanche et al. (2013: 270) explain that both parties (service provider and consumer) are effectively engaged with service conveyance and this emphasizes the role of people in service transactions. Retailers often experience service interruptions or lack of quality because people are prone to faults and generate high levels of service instability.

Since a service is an integral part of the person providing the service, the customer should constantly receive the same level of service in the service process. The concept of non-separation means that each service meets the same quality standard (Services Marketing n.d). Chand (2014: 1) further states that choosing the right employees and customer service training is crucial for quality assurance.

### 2.5.3 Variability

Variability is a unique service function that shows inconsistency associated of transactions with other services. Each service is considered to be unique and therefore it is rendered and consumed and can never be exactly repeated. The quality and essence of a service differs from service provider to service provider (Mmutle and Shonhe 2017: 9). It is a key characteristic of customer service that describes the change in the quality of services provided (Armstrong and Kotler, 2013: 238). The quality of the service depends on who provides what and when. The diversity of service provision is an inevitable consequence of production and consumption (Chad 2014: 3). Service encounters mostly happen when the customer is physically present. These encounters usually do not allow quality control measures to be taken before customers receive this service if the customer does not exist and disruptions occur. Approaches to correct service failure are not always easy and clear (Boshoff 2014: 39).

### 2.5.4 Perishability

Perishability of services is a service that cannot be saved for future use, unlike consumer goods. A service cannot be stored. When demand exceeds supply, demand cannot be achieved, and the income or value of the service is lost. The perishability of services causes a retailer to pay a lot of attention to the management of demand. This is done by scheduling service production. The commonly used tools to deal with this issue are pricing and promotion (Armstrong and Kotler 2013: 237).
It is a challenge for retailers to balance service and service requests. Perfect match of demand with supply is a coincidence, because demand for services is unstable (Armstrong and Kotler 2013: 246). Retailers face challenges as demand changes. It is very difficult to coordinate the provision of services and demand. In fact, the perfect combination of supply and demand is just a coincidence because of consumer demand for services (Armstrong and Kotler 2013: 246). When demand exceeds supply, customers often become dissatisfied. In a case of demand exceeding supply during peak hours, retailers can be creative in making promotions in times that will shift consumer demand patterns to non-peak periods (Mmutle and Shonhe 2017: 9).

The above mentioned definitions show that the most striking distinction is that service is intangible and is produced from associating with customers. General service at markets contains four attributes which are intangibility, perishability, simultaneity and variability. These highlights present new and particular difficulties for retailers when offering service. In the following segment, the approaches to quality will be discussed.

2.6 APPROACHES TO QUALITY

Consumers are now more familiar with improved standards of service, so they have higher expectations. Managing service quality has been developing over the years. The inconsistency of the service not being the same has resulted in the elaboration of various service quality models. One of the most modern and approved management concepts is process approach (Kowalik and Tatar 2017: 31). To further understand the concept of quality Machando and Diggines (2012: 122) identified five approaches to service quality. Namely; the transcendent approach, the user-based approach, the product-based approach, the manufacturing-based approach and the value-based approach.
2.6.1 The transcendent approach
This approach is hard to define because it refers to innate excellence. High quality is something that the customer learns to recognise and just know. In this approach, quality differs between people (Machando and Diggines 2012: 122).

2.6.2 The user-based approach
Pakurár, Haddad, Nagy, Popp and Oláh (2019: 4) explain that in this approach, the user is the customer and they decide whether the service is of high or low quality. The approach is seen as subjective and customers may perceive the same service as being of different quality. This approach is from a consumer’s perspective. It leads to two problems:

- Attributes which should be included in a service to make it more appealing to large numbers of customers.
- Distinction between attributes that provide satisfaction and those that imply quality.

2.6.3 The product-based approach
Quality is based on the presence or absence of an attribute in a product or service in this approach and it relies on measurable quantities. The disadvantage of this approach is that it assumes that all customers desire the same attributes and therefore does not account for differences in preferences of individual customers (Claessens 2018: 1).

2.6.4 The manufacturing-based approach
In this approach, quality is from the supply side. The issue with this approach is that quality becomes an internal matter which helps simplify production control but does not deliver what customers want (Claessens 2018: 1).

2.6.5 The value-based approach
Quality in this approach is evaluated according to the benefits of the service and the cost of acquiring them. Quality is seen as a balance between performance and an acceptable price to the customer. This characterizes service quality as the indicator of perfection of service delivery (Kowalik and Tatar 2017: 31).
The different approaches have been identified and it is evident that retailers need to work towards achieving excellent service quality. Retailers need to be aware of the different service quality dimensions that will assist them in meeting customers’ expectations. These will be discussed below.

2.7 SERVICE QUALITY DIMENSIONS

Services are naturally intangible as compared to goods. Since it is so, measuring of service quality is more difficult. Service quality assesses whether the service delivered by the retailer meets the customers’ expectations (Yarimoglu, 2014: 80). Terblanche et al., (2013: 272) allude that a wide service gap shows poor service in which the retailer has to enhance. Five dimensions of service quality have been identified. Ramya, Kowsalya, Dharanipriya (2019: 40) further explain that the dimensions affect the perceptions of service quality. Figure 2.3 shows the measures of service quality.

**Figure 2.3: Service quality dimensions**

![Service quality dimensions diagram]

Source: Ramya, Kowsalya, Dharanipriya (2019: 40).
2.7.1 Reliability
Reliability is the ability of retailers to provide reliable and consistent service quality promised. This also implies to the capability to provide the same quality time after time without any problems in a way that matches promises made in communications. This dimension is regarded as the most important factor influencing satisfaction. This is when the service provider fulfils the promise given to the customer (Pakurár, Haddad, Nagy, Popp and Oláh 2019: 5).

Reliability is described as the ability to provide and deliver the vowed services in a proper, precise and consistent way, fulfilling what is expected by the customer. In the food retail environment, reliability is making sure that the promised service is delivered to the customer, engaging with customers and meeting the customer’s expectation (Ramya, Kowsalya, Dharanipriya 2019: 40).

2.7.2 Responsiveness
Responsiveness refers to retailer’s willingness in meeting the expectation of customers and render service quickly. This includes never being too occupied to even consider responding to customer demands and continually ready to help the customer (East, Wright and Vanhuele 2013: 179). Zeithaml, Bitner and Gremler (2013: 177) substantiate that service providers ought to be dynamic and energetically accessible to help customers quickly. Responsiveness additionally intends to the ability to create modified answers for customers. Levy and Weitz (2012: 506) further explains that this is wanting to help customers and provide accurate services. It includes returning customer calls and replying to e-mails as soon as possible. It also includes being able to provide advice to any store related questions and quick service on a day to day basis. Customers do not like waiting in lengthy lines for them to get assisted and be assisted on any queries that they encounter. Retailers need to respond to the changes needs of customers. This could be dealing more efficiently with customer complaints.
2.7.3 Assurance

Assurance is the ability of the retailer and the knowledge of the employees to encourage trust and confidence in customers. The knowledge and politeness of employees, and the skill of the retailer and its employees to motivate and build customer confidence. This dimension is also significant for services that are considered high risk such as legal services, insurance, banking, medical and brokerage (Zeithaml, Bitner and Gremler 2013: 90). Dehghan, Zenouzi and Albadvi (2012: 5) highlight that assurance is the level of service that is provided to customers that they believe in and can be trusted. Employee knowledge and customer experience are key factors.

2.7.4 Empathy

Empathy is treating customers as individuals. They should receive individualized attention. Care and attention offered by the retailer to the customer must be adhered to in order ensure that customers’ needs are met. Personalisation is an attempt to show empathy to the customer. The opportunities for personalisation are endless because of our modern world of internet, mobile phones and email (Mmutle and Shonhe 2017: 6). Service delivery has to be customised to customers’ unique needs. This dimension is the individual attention and care that retailers provide to their customers. To show empathy, traders must show that every customer understands that they are unique to their individual needs. This can be done by ensuring that attention is given to customers and their needs are met (Ramya, Kowsalya, Dharanipriya 2019: 40).

2.7.5 Tangibles

This is the appearance of physical facilities and equipment existing in service organisations. This dimension includes appearances, physical facilities, personnel and communications (Mmutle and Shonhe 2017: 6). Ramya, Kowsalya, Dharanipriya (2019: 40) explain that tangibles are the impression regarding physical facilities, equipment, personnel and communication materials. Customers can use physical assets to evaluate services, and retailers can use them to improve their image and service quality.
Specific signals that are part of this dimension include store layouts, store equipment, visualization, and employee appearance to help customers understand the quality of services provided by the retailer. Offering reliable service is consequently the centre component of service quality. The benefits of service quality will be deliberated below.

2.8 BENEFITS OF SERVICE QUALITY

- **Customer loyalty**

Loyalty is defined as being committed to buy at a preferred retailer consistently in the future. This includes buying the same brand despite situational influences. Customer loyalty is more than a customer making repeat visits. This means that the customer is actually dedicated to buying products and services from that particular retailer. Loyal customers have a relationship with the retailer and that is seen as a personal connection (Chen and Quester 2015: 14). Kursunluoglu (2014: 531) further states that loyalty is when a regular customer buys or repurchases a preferred product or service. Loyalty can be re-acquired for the same product or service, regardless of marketing efforts or the impact of the situation. Loyal customers are known to be less price-sensitive and they are cheaper to serve because they already have knowledge of the products and services (Zakaria, Rahman, Othman, Yunus, Dzulkipli and Osman 2014: 24). Loyal customers are important to retailers because they are less expensive to maintain, want to purchase and pay, and accept constructive word of mouth (Zhang, van Doorn and Leeflang 2014: 284). Bhasin (2018: 1) further elaborates that it is natural that when a customer is happy or satisfied with the service they will not shift to competitors. Das (2014: 407) mentions that customer loyalty includes of product loyalty and retailer loyalty. Creating retailer to customer loyalty is a long-term process.

- **Increased revenue**

A variety of techniques are used by retailers to maximize profits. Retailers are able to increase their revenue by building relationships with their loyal customers. It is then mentioned that when a customer is satisfied with the service, they are likely to come back again and spread the word therefore increasing revenue customers (Levy and Weitz 2012).
Improved employee productivity
Zeithaml, Bitner and Gremler (2009) state that employees provide a service to the company they represent by influencing customer satisfaction. Customer-orientated, service-orientated retailers will have their hearts set on service culture. Service culture identifies good services that internal and external customers can use. A strong service culture begins with company executives who have a passion for excellence. The significance of service quality is found in the impact that it has on the organisation as a whole. Having realized the importance of service quality, the researcher will look at service quality models that assist in accessing service quality.

2.9 SERVICE QUALITY MODELS
The purpose of service systems is to offer services that will satisfy the customer. To understand the concept of service quality, researchers have proposed several models assessing service quality. Service quality measurements are of great significance for retailers as it helps them to understand customers’ needs and wants. This is done by analysing the experience of customers (Ghotbabadi, Feiz, and Baharun 2015: 267). One of the objectives of this study is to provide competitive strategies which are capable of influencing customer satisfaction within the food retailing industry. Therefore, an analysis of important models is necessary. The below mentioned models will be discussed:

- The Gronroos Service Quality Model;
- The GAPS Model of Service Quality; and
- SERVQUAL Model

2.9.1 THE GRONROOS SERVICE QUALITY MODEL
The Gronroos model was established in 1984. This model was recognized among the oldest models in service quality measurement. According to this model, there are components involved with the customers’ perceptions (Lewlyn, 2014: 10). Gronroos, who formed this model, believed that for a business to be successful they need to understand the customers’ on the provided service. He recommended three dimensions of service quality. Namely, Technical (outcome), Functional (process) and Corporate Image (customer’s view of corporate).
Figure 2.2 demonstrates the three dimensions of this model. The technical component is the customers’ result of the interaction with the service provider. The functional component is how the customer received the technical component. The customer evaluates the service process. The perceived service quality is obtained by comparing the two factors. The third component is built up by the technical and functional quality. Other factors that can affect the image is marketing activities, tradition, ideology and word-of-mouth (Ghotbabadi, Feiz, and Baharun 2015: 271).

Figure 2.4: Gronroos Service Quality Model.


- Technical Quality (What was delivered?)
Machando and Diggines (2012: 121) explain that technical quality refers to the service that is being delivered. It is often quantifiable and involves what the customer receives in the interaction with the service. Bawa, Gupta and Sharma (2013: 39) add that this is the outcome of what the customer receives from the service. This involves a variety of products offered to the customer and the accessibility of parking space.
Technical quality is the result of the service production process, which reflects on what the customer acquires from the service given (Kasiri, Cheng, Sambasivan, and Sidin 2017: 92). This type of service component does not amount to the overall quality to which a customer gets throughout a service encounter. The delivery of technical quality of a service influences the customer perception. A customer's perception of service is therefore impacted by the availability of the store’s employees, appearance and behaviour (Thai, Tay, Tan and Lai 2014: 14).

➢ **Functional Quality (How service was delivered?)**
This component evaluates the process of the service. The people, infrastructure and processes of a retailer determine the functional quality. It focuses on how the service is delivered. Customers tend to evaluate whether the employee is welcoming or whether the goods are effortlessly returnable (Bawa, Gupta and Sharma 2013: 39). Promoting service encounters that satisfy customers enables functional quality of service. Therefore, in functional quality, customers are on edge about what they get as well as the manner by which they get the service (Keyser and Lariviere 2014: 31).

➢ **Image of the retailer**
The image of the retailer is how the customer perceives the store. The image is determined by a combination of technical and functional attributes which customers attach to a certain store (Alić, Agić and Činjarević 2017: 30). Therefore, technical and functional quality together serves to define the image of the retailer. A failure in either technical or functional quality could negatively affect the retailer’s image and customer’s perception of the retailer in the customers’ point of view (Machado and Diggines, 2012: 121).

It can be concluded that retailers need to focus on creating a positive retail image through delivering of functional and technical quality. They should demonstrate the ability to deliver and exceed customer expectation not only with how they deliver the services (functional quality), but also with what is delivered (technical quality).
2.9.2 THE GAPS MODEL OF SERVICE QUALITY

The Gaps model was designed as a technique to monitor service quality. It is also used to provide retailers with a better understanding of customer’s expectations and perception. The model identifies gaps that occur between expectations and perception of service delivery on behalf of the customers, employees and management (Machado and Diggines 2014: 125). This model provides a new perspective for understanding service quality and provides a theoretical background for understanding service quality (Ramya, Kowsalya, Dharanipriya 2019: 39). Lapaas (2019: 1) illustrates this model in detail and it is represented in figure 2.5.

Figure 2.5: The SERVQUAL Gap Analysis Model

![Gap Model of Service Quality](image)

Source: Lapaas (2019: 1).
The Knowledge Gap (Consumer expectation and perception)
The dissimilarity lies in the difference between customer expectations and retailers’ perception of these expectations. The first step in offering great service to a customer is to acquire understanding of what the customer wishes, needs and expects to get. This information is to be used to provide better customer service. Retailers are getting a better insight of customer expectations and perceptions which enables them to close this gap (Boshoff 2014: 56). The retailer may assume that they know the customer but the customer is actually expecting something different. There should be constant communication between customers and retailers in order for the business to grow. Continuous research can help identify customer needs (Jobber and Ellis-Chadwick 2013: 371).

Levy and Weitz (2012: 50) mention a variety of approaches for assessing customer expectations and perceptions of customer service:

- Assessing satisfaction with individual transactions;
- Consumer interviews;
- Social media;
- Interacting with customers;
- Consumer criticisms;
- Using customer research; and
- Feedback from store employees.

The Standards Gap (Management perceptions and consumer expectation)
This gap is the difference between the perception of customer expectations by management and the service standards set. Management can properly fulfil customer desires. However, they cannot set performance standards to achieve what the customer wants (Ramya, Kowsalya, Dharanipriya 2019: 39). This is because service standards are formulated without accurately identifying what actually needs to be done to match customer expectation (Machado and Diggines, 2012: 127). This gap occurs when there is no alignment between the retailer’s vision and customer needs. This causes the retailer to believe that customer expectations are farfetched and unachievable (Wirtz et al. 2012: 436).
Levy and Weitz (2012: 511) suggests that in order for retailers to close the standards gap they need to:

- Offer high quality services;
- Determine the role of the service provider;
- Establish service goals; and
- Access service performance.

➢ **The Delivery Gap (Service-quality specifications and service delivery)**

This gap is the difference between the actual service provided by retailers to customers and its service standards. A retailer has to ensure that pleasing and effective systems, procedures, and people are in place to guarantee service delivery. It has to be delivered accordingly and must match customer’s expectations (Boshoff 2014: 57).

According to (Kotler and Keller 2012: 395), this gap is where the employees are trained to meet outstanding customer service such as not giving the customer full attention when assisting them. High quality service performance cannot be guaranteed because of human error or technical breakdown. Levy and Weitz (2012: 514-517) mentions that retailers must give service providers with necessary information and skills to reduce the delivery gap. This gap can be closed by the following:

- Providing knowledge and training;
- Offering helpful and emotional support;
- Advancing internal communications;
- Empowering store employees;
- Giving out incentives;
- Using technology; and
- Creating resolutions to service problems.

➢ **The Communication Gap (Service delivery and external communication)**

This gap is the difference between the service assured by the retailer through external communication such as advertising, and customer service (Boshoff 2014: 57).
This gap means that some promises are made by retailers to customers based on over promising in advertising and other communication. Most customer expectations are created by communication from the retailers’ employees and media advertisements (Kotler and Keller 2012: 395). Levy and Weitz (2012: 519) state that this gap can be prevented by:

- Creating truthful commitments; and
- Dealing with customer expectations.

**Service Gap (Expected service and perceived service)**

The service gap is the difference between the expectations of customers and their perceptions of the service after consumption experience (Machado and Diggines, 2012: 127). Kotler and Keller (2012: 395) further explain that this gap arises when there is inconsistency among the expected service and perceived service this eventually leads to the evaluation being that of poor service quality. According to Reid and Bojanic (2010: 57), this gap occurs due to the existence of the other gaps listed above. The success of delivering quality service is to meet or exceed customer expectations. This gap can be closed by putting measures in place that will continuously meet customer service. It is important for retailers to introduce service performance procedures that will aim to close the perceived service and expected service gaps.

### 2.9.3 SERVQUAL INSTRUMENT

The SERVQUAL instrument was founded on the Disconfirmation Model. The Disconfirmation model recommends that satisfaction is a function of the negative or positive of perception from expectation. This explains how customers gain perceptions of the quality of service. Similar to philosophy development, Parasuraman, Zeithaml and Berry explore several methods of evaluating the dimensions of service quality. This resulted in a set of measures termed SERVQUAL (Kar 2017: 2). The increasing importance of services has made retailers to pay attention on the quality of services delivered. Techniques of measuring service quality have become very important during the past few decades (Yarimoglu, 2014: 80).
Superior service quality leads to customer satisfaction. This model offers the most basic measurements of customer satisfaction by evaluating perceptions and expectations through various service features (Kar 2017: 56).

It was discovered that ninety-seven (97) attributes effect the quality of service. These attributes were discovered by Parasuraman, Zeithaml and Berry. The characteristics were divided into ten dimensions. These were then subjected into two stages in order to select those with substantial influences (Parasuraman, Zeithaml and Berry 1988: 20). At the primary stage, ten dimensions were introduced to assess the quality of service. These included tangibles, trustworthiness, reliability, responsiveness, capability, communication, safety, politeness, accepting, knowing customers and accessibility. The secondary stage is a summary of the ten dimensions. The five summarized dimensions are tangibles, reliability, responsiveness, assurance and empathy (Javadi and Gol 2011: 119). Parasuraman, Zeithaml and Berry (1988: 16) state that the five mentioned dimensions are linked to the inconsistency between customers’ expectations and perceptions. They further suggest that the quality of service that is observed by customers is a result from a comparison of what the consumer feels the retailer should offer. This is with their perception of the perceptions of retailers providing the services. Hartwig and Billert (2018: 56) add the SERVQUAL instrument sees the customers’ evaluation of service quality as dominate. The assessment is understood as a difference between the expectations of customers of the service provider class and the level of service of a particular service provider.

With the end goal of this study, the SERVQUAL model is utilized as it is the most suitable measuring instrument with regards to this research. The SERVQUAL model provides the study with a guide of 22 expectation and perception questions respectively as well as the sampling methods used. In spite of its broad use in measuring service quality, the SERVQUAL instrument is not without criticism. A significant number of reactions about SERVQUAL centres around the utilization of expectations as an examination standard in the measurement of service quality. This is discussed in the below segment.
2.10 CRITICISM OF THE SERVQUAL INSTRUMENT

The SERVQUAL model has been criticized because of its shortcomings over the years by researchers. (Kar 2017: 54) argue that the SERVQUAL instrument is only focused on service environments. Furthermore, several criticisms of this instrument focus on using expectations as a measure of service quality. There are operational and theoretical criticism in regards to the analysis and execution of the instrument. The instrument is focused on delivering service and not the service encounter results. Customer expectations may be regarded as unreal to be a scale for assessing service experiences. The available evidence supports the concept of using perceptions, not expecting that service quality assessments will remain inadequate.

There are possibilities of expectations being developed with the consumption of service (Cronin and Taylor 1992, 1994 cited by Yildiz, 2011: 7032). Further arguments were that the long questionnaires established on the SERVQUAL model cause confusion and boredom. The questionnaires also create a misunderstanding among the respondents because the process includes answering the two sections; perception section and expectation section. The prime content of the SERVQUAL instrument stays unaffected, as it has been modified to SERVPERF (Service Performance) to suit some businesses. The SERVQUAL and SERVPERF tools are considered a suitable tool for assessing the quality of service offline (Hartwig and Billert 2018: 5).

Another argument is that the applicability of the SERVQUAL instrument has not been approved in a retail setting. The service categories that were used in creating this tool are different from the available categories for retail use (Ai Leen and Ramayah, 2011:19). The five dimensions proposed by the SERVQUAL model are unstable and contradictory. This led Dabholkar to develop the Retail Service Quality Scale (Sandhu and Bala 2011: 220). This model is a modification of SERVQUAL to meet the quality of retail services. According to Terblanche et al. (2013: 272), RSQS (Retail Service Quality Scale) measures the following quality of service:

- **Physical features** (store appearance and overall layout);
- **Personal interactions** (the desire to provide services and win customer confidence);
- **Problem solving** (manage customer complaints, returns and exchanges);
- **Reliability** (keeping promises made and doing the right thing); and
- **Policy** (strategies and principles that guide the retailer such as, working times, payment preferences, credit cards, parking and so forth).

### 2.11 CUSTOMER PERCEPTIONS OF SERVICE QUALITY

Perception is how we see something based on our experience. The experience may be positive or negative. The type of service received therefore influences customer perceptions. Since services are considered as being intangible, they are challenging to access. Customers will then judge the way in which the service is delivered to them and not just the outcome of the service (Harris 2013: 16). The perception of a value is considered to be personal. Customers will only know the value of the service once it is received. The customer will then assess if the experience was satisfactory or not (Timm 2011: 150). There is a relationship between customer perception and satisfaction. If the perceived service is close to what the customer was expecting, it leads to satisfaction. Customer satisfaction leads to loyalty towards that retailer (Reichheld 2011: 22). According to Hossain and Islam (2012: 171), perceived service quality is evaluated by identifying the gaps that are between the expectations of the customer to the actual performance of service received.

#### 2.11.1 Customer perception process

Customers are the core of the business. Retailers everywhere throughout the world consistently endeavour to fulfil their customers’ needs and wants however, challenges emerge influencing disappointment of customers. Studies led by specialists proposed procedures on the most proficient method to draw in, retain and satisfy customers however these techniques don’t appear to be the best for retailers henceforth, retailers are as yet confronted with the predicament on the best way to attract, retain and satisfy customers for a long period. Retailers utilize an alternate strategy to attract customers to the brand or company (Beneke, Mill, Naidoo and Wickham 2015: 68).
Cant and Van Heerden (2010: 56) explains that the customer perception process involves four (4) stages; exposure, attention, interpretation and recall. This is represented in figure 2.6

**Figure 2.6: Customer perception process**

Cant and Van Heerden (2010: 56).

### 2.12 CUSTOMER EXPECTATIONS OF SERVICE QUALITY

Customer expectations are viewpoints on service superiority, serving as principles against which their customers judge performance of retailers. Customer expectations are important to service marketers and will impact customer behaviour (Zeithaml, Bitner and Gremler 2013: 81). It is therefore important for retailers to go an extra mile to satisfy customer needs. Expectations are predictions made by the customer based on what will happen during a transaction. Furthermore, expectations are an anticipation of future consequences founded on previous knowledge, present circumstances or other sources of information (Kamaruddin, Osman and Pei 2012: 30).

#### 2.12.1 Levels of expectations

Harris (2013: 17) explains that expectations can be divided into two categories because customers have different levels of expectations. The two groups can be classified as primary expectations (these are the fundamental requirements of interaction) and secondary expectations (these expectations are based on previous experiences that enhance primary expectations).
Customers are noted to have different attitudes of expectations and they continually change as every customer has their own exclusive expectations. Furthermore, Machando and Diggines (2012: 134) explain the importance of understanding customers’ different levels of service expectations. The levels of expectation of a customer are discussed and illustrated in figure 2.7. With the end goal of this study, the SERVQUAL model is utilized as it is the most suitable measuring instrument with regards to this research. It is therefore important that the researcher looks at the levels of expectations to enlighten the retailer on the different levels of expectations customer have.

Figure 2.7: Level of customer expectations

![Diagram showing the levels of expectations]


- **Desired service**
  Desired service is the service experience that consumers ideally want to get. Customers already have a picture in their head of their desired results. It is a combination of what the customer believes “can be” and “should be” (Customer Expectations Report 2019: 11). Berndt and Tait (2014: 53) add that this expectation is a perfect one as it replicates what the customer really wants. In relation to the two categories mentioned above, this level can be seen as a secondary expectation.
This is because desired service is based on previous experience of the customer and promises made by the retailer in the marketing and communication activities.

- **Adequate service**
  This is the satisfactory level of expectation. The customer is expecting to get at least that service, but anything less would be unacceptable and could lead to dissatisfaction. In most cases, customers are more likely to be influenced in the final stage (transaction) of their experience (Johnston, Clark and Shulver 2012: 110).

- **Predicted service**
  Customers can predict the actual service they expect to receive based on past performance and marketing communication from the retailer. This level is usually lower than desired service expectation (Machando and Diggin 2012: 140). According to Du Plessis, Strydom and Jooste (2011: 46), predicted expectations is how customers anticipate or predict a certain level of service that is provided. These expectations are affected by customer experience and promises the retailer makes to its customer. Furthermore, Wirtz, Chew and Lovelock (2012: 49) state that predicted expectations have a strong influence on customer buying decision. It is also noted that evaluations of customer satisfaction are established by comparing expected service to the actual service received.

- **Unanticipated service**
  This is the level beyond the desired service expectation; it leads to greater satisfaction of the customer. In this level of expectation, the retailer offers extended services that were not expected by the customer and therefore creates customer satisfaction (Machando and Diggines 2012: 140).

- **Zone of tolerance**
  This level compares the desired service of the customer and the adequate service level. It is when a customer understands that the service delivered could be different on every delivery occasion. A “zone of tolerance” is then created by the customer and customers accept the service level that is delivered (Machando and Diggines 2012: 140). Figure 2.8 shows the zone of tolerance.
2.12.2 Issues involving customer expectations

Customer expectations are unpredictable because customers have their own unique set of expectations. It is therefore challenging retailers to organise their service. Customers ideally use perceptions and expectations to evaluate service performance. The intangibility of customer service causes accurate evaluation of service performance to be challenging (Lundin 2018: 1).

- **Unrealistic expectations**
  
  Retailers fear asking customers about their expectations. This is because they are concerned that customer expectations may be unrealistic. It is important for retailers to know that querying on customer’s expectations does not increase their level of expectations. However, it increases the conviction that the retailer will take care of the information acquired (McGovern 2017: 1).
Delighting the customer

Machando and Diggines (2012: 146) explain the difference between satisfying and delighting a customer. Satisfying involves meeting customers’ needs and expectations. Delighting means going beyond satisfaction by really exceeding customers’ expectations.

Exceeding customer expectations

Customer expectation is defined by what customers expect to acquire from service providers and that their expectations are regarded as desires. Customers need to feel comfortable with how they are treated by the retailer. Exceeding customer expectations is seen as the new marketing strategy (Customer Expectations Report 2019: 17).

2.12.3 GUIDELINES FOR EXCEEDING CUSTOMER EXPECTATIONS

According to Harris (2013: 20), customers’ expectations are always changing and one of the most important keys to exceeding these expectations is to know them. The Customer Expectation Report (2019: 11) states that keeping in touch with customer helps in familiarising with them and therefore it is easier to know their expectations. Boshoff (2014: 40) further explains that customers have different desires and the service providers should meet the expectations of their customers. Customers have become more knowledgeable and it is important that service providers live up to created expectations.

Familiarity with customers

The retailer should get to know their customers and know their reason for doing business with them. Furthermore, they should find out what interests them. Selling to a customer is better than selling to a stranger therefore keeping in touch with customers after sale is important. One can then conclude that after the first sale, that is when retailers need to know their customers (Ascarza, Neslin, Netzer, Anderson, Fader, Gupta, Hardie, Lemmens, Libai, Neal, Provost and Schrift 2018:67).
 ➢ **Ask their expectations**  
It is important for the retailer to know about the customer’s expectations of the company. The retailer should investigate what the customer would like the company to do of which they are not already doing. Customers do not have the same desires and service providers should ensure that they meet the expectations of their customers. In order for the retailer to know what the customer expects, they should create feedback systems (Kamaruddin, Osman and Pei 2012: 30).

 ➢ **Tell customers what they can expect**  
Expectations play a very critical role in customer satisfaction. The level to which a product or service satisfies the need and desire of the customer plays a significant part in building feelings of satisfaction (Angelova and Zekiri 2011: 239). Siu, Zhang and Kwan (2014: 89) state that high expectations affect the perceived value of services positively and therefore it is better to please customers with high expectation when they perceive a service as highly valuable.

 ➢ **Live up to their expectations**  
According to Chang and Polonsky (2012: 108), retailers are constantly thinking of better methods of delivering customer value and ways of growing the customers’ purchase intentions. Retailers can make their services easier to consume in order to differentiate themselves.

 ➢ **Maintain consistency**  
Machando and Diggines (2014) suggest that retailers should deliver the same high level of service every time the customer visits the store. Retailers should not make empty promises to customers. Customers like the same positive experience every time they interact with a retailer.

 ➢ **Suitable communication methods**  
Customers have different preferences on how they want to communicate with the retailer. Levy and Weitz (2012: 406) explain that a retailer should deliver the precise message to the suitable market using the correct media in order for the campaign to succeed.
As the media continues to be more complicated in reaching the right audience, it is therefore important for retailers to know which method of communication is suitable for their customers.

### 2.13 CUSTOMER SATISFACTION

Customer satisfaction is a marketing concept that evaluates how the retailer’s products or services meet or exceed the customer’s expectation. For that reason, it is essential that customer's expectations be met. This gives retailers an opportunity to enhance their businesses because they know what satisfies the customer (Al-Tit 2015: 130). It is of vital importance that retailers interact with their customers on a regular basis to increase customer satisfaction. These communications help in learning and determining all individual customer needs and responding accordingly. Satisfaction provides high customer retention rates (What is customer satisfaction 2018: 1).

Retailers need to acknowledge the benefits linked to customer loyalty and customer retention because getting new customers costs more than keeping existing customers happy. Superior quality service makes customers happy and for this reason, retailers have to conform to customer expectation consistently (Arunkumar, Manjunath and Shivashankar 2012: 168). According to Machando and Diggines (2012: 148), customer perception and customer expectations are the two important components of customer satisfaction. De Jager and Van Zyl (2013: 753) mention that retailers need to first recognize what satisfies their customers. They also should know what their customers view as the most important for a high-quality service. Machando and Diggines (2012: 146) point out that satisfying the customer involves meeting their needs and expectations. Smith (2018: 1) further affirms that customer satisfaction shows what the customer expects and experiences with a product or service. These expectations reflected by the customer show the past and current customer experience. Creating customer satisfaction also involves ensuring customer service such as payment services, after purchase services and private delivery. Customer satisfaction occurs when the services meet or exceed expectations.
Customer satisfaction is highly influenced by customers’ expectations of a product or service, their experience, and their evaluations. This is the key to meeting customer satisfaction. Therefore, excluding the main product, the performances offered by the retailer are critical in creating customer satisfaction and loyalty (Kursunluoglu, 2014: 532). On the other hand, Chinomona and Dubilela (2014: 33) explain that dissatisfied customers are not hesitant to change retailers if their expectations are not fulfilled by the current retailer.

Koudehi, Rajeh, Farazmand and Seyedhosseini (2014: 142) further reveal that there is a relationship between customer satisfaction, loyalty and value. This relation results in strong performance. Figure 2.9 shows this relation. When a customer is satisfied they will transform to be loyal to the retailer. A loyal customer will create value for the retailer and enhance firm performance. In order for retailers to succeed in the current competitive environment, they should be able to provide lasting customer value.

**Figure 2.9: Relationship between customer satisfaction, loyalty and value**

![Figure 2.9: Relationship between customer satisfaction, loyalty and value](source: Koudehi, Rajeh, Farazmand and Seyedhosseini (2014:142).)
2.14 PROPOSED MODEL OF THE EXPECTANCY MODEL OF SATISFACTION

The proposed model was constructed based on Wirtz and Lovelock (2016: 74) expectancy model of satisfaction. The aim of the proposed model is to show the satisfaction outcome and where it emerges. The model reveals what happens when the service delivered has been confirmed or disconfirmed. The objectives of this study include identifying service quality factors that influence customer satisfaction. It is crucial for retailers to know the factors involved in customer satisfaction. The proposed model will assist retailers to know the emerges of satisfaction and the outcome of it. Grimmelikhuijsen and Porumbescu (2017: 1274) explain that confirmation is the fulfilment of expectations which means that the service performance exceeded the expectation. Disconfirmation means that the service performance is below the customer’s expectations. When service matches the expectation, the customer is satisfied. When expectation is exceeded, the customer is delighted.

2.14.1 The Expectancy Model of Satisfaction

Customer satisfaction is described as the overall attitude that a customer shows to a service provider. This reaction is a result from an enthusiastic response to the contrast between what the customer imagined and what the customer obtains, with regards to the satisfaction of some need (Kasiri, Cheng, Sambasivan and Sidin 2017: 91). On the other hand, customer satisfaction is explained to be a psychological state coming from confirmed or disconfirmed customer expectation. This is the feeling before consumption of the experience (Kar 2016: 55).

Customer satisfaction is explained to be the customer's assessment on how well the retailer has lived up to their promises. Customers compare their expectations against their perception of the actual value they received. When they compare the two aspects, they are confirming or disconfirming how well the retailer has delivered (Disconfirmation Model of Consumer Satisfaction, 2017: 1). Customer satisfaction is a psychological state coming from confirmed or disconfirmed expectation of the customer’s prior feeling about the consumption experience (Kar 2016: 55).
Figure 2.10 illustrates of the expectancy model of satisfaction which was shown by Wirtz and Lovelock (2016: 74). Figure 2.11 is an illustration of the proposed model of the expectancy model of satisfaction.

**Figure 2.10: The Expectancy model of satisfaction**

<table>
<thead>
<tr>
<th>Model of Satisfaction</th>
</tr>
</thead>
<tbody>
<tr>
<td>Performance Expectation</td>
</tr>
</tbody>
</table>

Confirmation/ Disconfirmation

Satisfaction Outcome

Figure 2.11: Proposed model of the Expectancy Model of Satisfaction

Source: Proposed by the researcher
2.14.2 Stages of proposed model of the expectancy model of satisfaction

- **Stage 1: CUSTOMER KNOWLEDGE OF RETAILER**
  The customer gets to know about the retailer when the customer is exposed to the retailer. Exposure happens when a stimulus occurs; it could be from a newspaper, television or through a person. Once the stimulus is placed within the customer, it will come within range of their receptor nerves. The customer gets the opportunity to pay attention to information that is available but there are no guarantees (Hawkins and Mothersbaugh, 2010: 279).

- **Stage 2: PERCEPTION & EXPECTATION**
  Expectations are an anticipation of future results dependent on past experience, current conditions, or other sources of information (Kamaruddin, Osman and Pei, 2012: 30). Expectation may affect the perceptions of a retailer. The expectations of a retailer’s characteristics initiate the perceptions and judgements concerning the correctness of a store set-up for a shopping purposes (Gebremichael and Singh 2019: 2).

- **Stage 3: CONFIRMATION & DISCONFIRMATION**
  According to Stavrou, Pankrats and Batsen (2014: 15,) expectations are the key components in the formation of satisfaction and when assessing satisfaction. Grimmelikhuijsen and Porumbescu (2017: 1274) further add that the way that a product or service satisfies a customer’s need plays an imperative role in creating feelings of satisfaction. This is caused by the effect of confirmation or disconfirmation retailers have on satisfaction. Siu, Zhang and Kwan (2014: 89) explain that high expectations have a more positive impact on the perceived service value. Customers with high expectations are easily satisfied when the perceived services are highly valuable.

2.14.3 DISCONFIRMATION

- **No Purchase**
  Disconfirmation will lead to the customer not making any sort of purchase. This is a bad outcome as it is bad for business. A purchasing decision involves willingness to fulfil a need. Decision to purchase sometimes formed from past experience (Hanaysha 2017: 8).
➢ **Brand switching**
Brand switching is when the customer makes a choice to purchase the same product or service at the alternative retailer. This can be caused by several factors such as; price increase, a level of satisfaction with the most recent purchase, desire for novelty or competitive brands (Yee and Yazdanifard, 2014: 6).

➢ **Negative word of mouth**
Levy and Weitz (2012: 510) explain that an average of four people hears about poor service experienced by one customer.

### 2.14.4 CONFIRMATION

➢ **Repurchase**
Customer satisfaction is revealed when there is a repeat visit to the retailer. This shows that the returning customer had a pleasant first encounter thus stimulating a return (Salamata, Farahani and Salamat, 2013: 1826).

➢ **Loyalty**
Customer loyalty is the joy coming about because of consuming a product or service prompting a positive feeling. It is an enthusiastic reaction that arises from a veritable experience (Wolter, Bock, Smith, Cronin 2017: 459). Superior service quality results to customer loyalty. This is because it increases the customer’s confidence and satisfaction towards the retailer. In order for retailers to thrive in the present aggressive condition, they should have the option to convey long-term customer value. This can be accomplished through consumer loyalty and concentrating on their customers’ needs (Silva, Camacho, Vázquez and Florencio 2015:1621).

➢ **Positive Word of mouth**
Word of mouth is the communication tool that enables customers to share information, experiences and their personal views, expectations and purchasing intent (Lerthaitrakul and Panjakajornsak, 2014: 143). There are financial benefits caused by positive word of mouth. These involve less marketing expenses and increased profits from new customers (Levy and Weitz, 2012: 510). Machando and Diggines (2012: 150) add that good word of mouth from friends and relatives are considered as more reliable. This improves the retailer’s reputation.
Profitability

Customers who are satisfied with the value of service are more likely to spend more with the retailer of their choice. Those customers value the retailer’s services and do not mind paying more premiums for such services (Levy and Weitz, 2012: 506).

Once the retailer has gained knowledge and understanding of the retailer, it is the responsibility of the retailer to address challenges. This will enable retailers to entice new customers and retain current ones. Below customer retention is discussed.

2.15 CUSTOMER RETENTION

It is important for the study to have a look on the model of customer retention. This is because customer retention and customer satisfaction are like the sides of one coin. In other words, this is to say that, when there is greater customer satisfaction, the result would be greater customer retention. Therefore, looking at customer retention is important since it is generally a physical evidence of customer satisfaction.

Customer Retention is explained to be the readiness of a customer to remain with the retailer. It involves managing existing customers based on their long-standing value. The main elements in the creation of value are customer retention and building of long-lasting connections. It is therefore important for retailers to retain their customers after successfully satisfying their needs and wants. This will enable customers to be loyal to the retailer because their expectations were met (Ascarza, Neslin, Netzer, Anderson, Fader, Gupta, Hardie, Lemmens, Libai, Neal, Provost and Schrift 2018 :66). The cost of customer retention is less than the cost of acquiring new customers. Retained customers are likely to purchase more than newly acquired customers and they tend to suggest the retailer to others (Ginn, Stone and Yuksel, 2010: 116). According to Peng, Quan and Zhang (2013: 324), retailers normally introduce policies to extend the customer lifecycle and persuade customers to stay. Customer satisfaction is one of the key indicators of customer retention. Customer retention is mostly influenced by satisfied customers (Danesh, Nasab and Ling, 2012: 142).
Commitment from the retailer’s top management is greatly required to effectively retain customers. Top management needs to be open towards modern changes in the retail industry (Sharmeela-Banu, Gengeswari and Padmashantini, 2012: 158). According to Tamuliene and Gabryte (2014: 448), customer satisfaction, relationship quality and switching costs influence customer retention. Customer retention affects these factors as well as customer perceived value. Figure 2.12 illustrates the three factors and their interrelationships.

**Figure 2.12: Customer Retention Model**

![Customer Retention Model Diagram](image)


### 2.16 CUSTOMER RELATIONSHIP MANAGEMENT

Customer relationship management (CRM) is extremely important to any retail business as it is seen as a modern approach to customer satisfaction. In the past, retailers only used media advertising and sales campaigns to get the attention of customers. Nowadays, retailers focus more on providing tailored services to customers in order to gain customer loyalty.
The reason for CRM is to develop business performance by improving customer satisfaction and loyalty through trust and commitment (Levy, Weitz and Grewal, 2014: 292).

Furthermore, CRM is explained to be processes that enable systems that upkeep a business approach. This is made up of four dimensions, which include customer identification, attraction, retention, and improvement of lifetime value based on assisting customers better (Chang, Wong and Fang, 2014: 146). Padmavathy, Balaji and Sivakumar (2012: 249) refer to CRM practices as that develop customer relationships sustained by the retailer’s strategy. This is made to advance customer interaction in order to build customer loyalty and grow profits in the long run. Miguéis, Camanho and Cunha (2013: 6225) emphasise that an effective implementation of CRM leads to improved customer retention, loyalty and greater customer profitability.

Shopping experience of customers is crucial and therefore retailers need to observe customer views and recommendations. This will create a memorable customer experience. Individual interactions with customers are made stronger by constant communication and making them feel important (Naicker and Brijlal, 2012: 6478). According to Antony, Khanapuri and Jain (2017: 872), in order for a retailer to succeed, they must know their customers’ expectations. Retailers must go as far as creating an emotional connection with the customer because that arouses a good feeling and keeps the customer coming back.

Retailers use CRM as a key competitive strategy to focus on the needs of customers. Retailers create long-term relationships with customers by using information and communication technology (Ascarza, Neslin, Netzer, Anderson, Fader, Gupta, Hardie, Lemmens, Libai, Neal, Provost and Schrift 2018 :66). The benefit of CRM implantation progresses the competitive advantage through achieving greater customer value. Therefore, CRM mainly looks at recognizing customers with the greatest contribution and maintains a lasting relationship with them. CRM aims to interest, retain and enrich customer relations with the retailer (Wang, 2014: 57).
2.17 CONCLUSION

Retail is a constant changing environment and the way it is nowadays has changed from the way it was before. Customers are now aware of their rights and have evolving expectations. Their hopes are complex, but retailers are looking for a competitive advantage. Chapter two has reviewed literature on the quality of service and its influence on customer satisfaction. It has also discussed the different levels of customer expectations and techniques to exceed these expectations. Issues involved when fulfilling expectation and service quality dimensions were also reviewed.

The techniques of measuring service quality, the components of service quality, approaches to quality, and the benefits of service quality have been highlighted. Quality of service is one of the key factors in customer satisfaction. Knowing the expectations of the customer is the first crucial stage in delivering quality service. The significance of offering quality services to customers cannot be over-stressed. From this review, it can be concluded that customers are not the same and they all have different expectations. Fulfilling these different expectations is not an easy thing to do as customer expectations change all the time.

Chapter three will deliberate on the methodology that was used in conducting the study, the research approach and how the data was collected and analysed.
CHAPTER THREE
RESEARCH METHODOLOGY

3.1 INTRODUCTION

The purpose of this study is to evaluate the quality of services and the influence it has on customer satisfaction at a nominated retailer in Durban. The previous chapter deliberated literature on the service quality and customer satisfaction in a retailer context. One of the study’s objectives is to evaluate customer satisfaction by using the SERVQUAL instrument. Chapter 2 discussed the Gaps Model of service quality developed by Parasuraman, Zeithaml and Berry (1988). Chapter three will look at the research methodology and procedures of the study. It will also reveal the methodology used in this study to gather first-hand data information from customers. This section will discuss the research design, target population, sampling, data collection and analysis and reliability. Instrument evaluation, concerning reliability and validity of SERVQUAL is addressed. Planned questionnaires were used to collect the data and statistical methods were used in scrutinizing figures. Labaree (2013) explains that methodology is very important for any research, because unreliable methodologies give unreliable results and therefore jeopardise the value of interpretation and results.

3.2 STUDY APPROACH

A survey was conducted in collecting primary data for this study. Ponto (2015: 168) explains that a survey is a way of collecting primary data from a sample of individuals. This allows the researcher to recruit participants in various ways, collect data, and use various methods of instrumentation. Historically, surveys have included a large population-based data collection. The main aim of surveys is to obtain information describing characteristics of a large sample of people who are relatively interested. A questionnaire entailing of 44 items that tests customer expectations and perceptions respectively was used to gather the needed information. These were self-administered questionnaires. Closed ended questions were used where alternatives were provided for participants.
According to Armstrong and Kotler (2013: 20), close ended questions present all possible answers and respondents choose among them. It is also observed that surveys are the most commonly used approach of collecting data primary data.

3.3 RESEARCH DESIGN

Research design is the structure or framework of the study in a manner that will address objectives (Trochim and Donnelly 2016: 138). The study is quantitative and descriptive in nature. It evaluates service quality and its impact on customer satisfaction at a selected retailer in the Durban area. A quantitative approach is a strong-willed measurement and arithmetical examination of data collected through the use of questionnaires or surveys (Labaree 2013: 4). This approach is suitable for this study as it allows the researcher to capture the current ideas about the quality of customer service. The aim of a descriptive research is to describe characteristics of people, objects or environments, which helps describe the market segments (Leary 2017: 89). Sekeran and Bougie (2013: 97) add that quantitative data may be gathered to describe consumer satisfaction or demographic data in descriptive research. The findings of this study are presented in numbers, statistical parameters or figures.

This study made use of planned questions in the questionnaires. The response options were prearranged to facilitate easier assessment of research information gathered. Muratovski (2016:90) explains that cross-sectional is when data is collected from a sample at almost the same time. Cross-sectional methodology was also used as it is the most frequently utilized descriptive design in marketing research.

3.4 TARGET POPULATION

Target population is a group of people the researcher is generally interested in (Rasinger 2014: 44). The first step to of the sampling process is to outline the target population.
This process is not as easy as it is important to include boundaries of exclusion as part of the definition of the population (Clow and James 2014: 226). The target population for this particular study are consumers of the selected food retail store in Durban. The selected store is one of the busiest amongst the branches the retailer has in the Durban region. With the high customer traffic, the researcher would be able to collect samples.

### 3.5 SAMPLING METHOD

Sampling is an important step in the research process as it assists to inform the quality of inferences made by the researcher (Rajkoomar 2015: 83). This study adopted a non-probability sampling method. A non-probability sampling method is explained to be a set of sampling approaches with characteristic features in which subjective evaluations play a role in the sampling (Babbie 2012: 192). Not everyone is enthusiastic to answer a questionnaire. Convenience sampling was used because it expands the reach of potential participants and increases the likelihood of researchers obtaining data. The researcher believes that the selected store will serve customers in areas that fall under different demographic categories depending on gender, age, and education.

Clow and James (2014: 226) further explain that sampling does not happen by chance. Sampling is a process that needs careful planning and execution in order to make sure that all the relevant parameters of the study are incorporated. Taherdooost (2016: 19) explains that since researchers do not have the time or resources to analyse the entire population, they apply sampling technique to reduce the number of cases. The stages that are likely to take place when conducting sampling is illustrated in figure 3.1.
3.6 SAMPLE SIZE

Sampling is a process that needs careful planning and execution in order to ensure that all appropriate parameters are incorporated. This shows that sampling does not happen by chance (Clow and James 2014:226). Sekaren and Bougie (2013: 241) further add that the sampling process is when the researcher studies the sample and draws up conclusions from that sample which is used to make generalization for the whole population. This study used a total number of 400 respondents. The sample size of 400 is adequate; in regard to the purpose and aim of the study. The sample population was used as measurement to determine the influence of service quality on customer satisfaction.
3.7 QUESTIONNAIRE DESIGN

An adapted SERQUAL questionnaire was administered for this study. This questionnaire was made up of 44 questions covering the five dimensions of service quality (tangibles, reliability, responsiveness, assurance, empathy). The questionnaire consisted of closed-ended questions and respondents selected possible answers. A five-point Likert scale was utilised to assess attitudinal variables. Research questions were in the simplest terms, which will make it easy for respondents to understand. The use of predetermined questions in the questionnaires with the response alternatives are present in the questionnaires. This will make it easier to appraise research data gathered. A covering letter informed respondents of the nature and purpose of the research (see Annexure 1).

Questionnaires were used as measuring instruments in this study. A SERVQUAL questionnaire was administered covering the five dimensions of service quality, which are tangibles, reliability, responsiveness, assurance and empathy. The questionnaire consisted of closed-ended questions and respondents selected possible answers. A five-point Likert scale was utilised to assess attitudinal variables. Research questions were in the simplest terms, which will make it easy for respondents to understand.

The five dimensions and their respective statements in the questionnaire are illustrated in Table 3.2:

Table 3.2: The Five Dimensions of Service Quality

<table>
<thead>
<tr>
<th>DIMENSIONS</th>
<th>ATTRIBUTE</th>
<th>CORRESPONDING STATEMENTS (SECTION B)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tangibles</td>
<td>Physical representations</td>
<td>Statements 1-4</td>
</tr>
<tr>
<td>Reliability</td>
<td>Delivering of service</td>
<td>Statements 5-10</td>
</tr>
<tr>
<td>Responsiveness</td>
<td>Willingness to help</td>
<td>Statements 11-13</td>
</tr>
<tr>
<td>Assurance</td>
<td>Inspiring trust and confidence</td>
<td>Statements 14-17</td>
</tr>
<tr>
<td>Empathy</td>
<td>Caring, individualized attention</td>
<td>Statements 18-22</td>
</tr>
</tbody>
</table>
3.8 MEASURING INSTRUMENT

Primary data collection is the data constructed specifically for the research at hand (Trochim and Donnelly 2016: 120). Questionnaires are seen as convenient and appropriate for this study. An adapted SERVQUAL questionnaire was utilised in this study. The content of the literature review as well as objectives assisted the researcher in choosing this measuring instrument. Questionnaires are considered to be simple and easy for respondents to understand and respond.

3.9 DATA COLLECTION

Data collection is the process of finding different sources of information to ensure that a researcher gets a clear idea of the answer to the question under study (Rouse, 2013: 90). Trained students, who were taught on matters concerning the questionnaire, administered the questionnaires. Consent forms were presented and explained to respondents. Permission was granted to commence with the research (see gatekeepers letter, annexure 3). The researcher ensured quality by conducting a percentage of the questionnaires first in the presence of the trained students. The researcher also did regular checks to ensure consistency.

Four hundred (400) questionnaires were used to obtain relevant data from participants of the study. The utilisation of prearranged questions in questionnaires with the reaction options present was incorporated. This will make it simpler to investigate examine information gathered. The quantitative method chosen by the researcher was suitable for the study since the researcher made generalisations to the population, test theories, or compare data in a systematic way.

3.10 DATA ANALYSIS

The Statistical Package for the Social Sciences (SPSS) version 23.0 was used to analyse the data. The questionnaires were re-counted to make sure that all participants have completed the questions satisfactory.
The captured data was re-checked to guarantee that there were no capturing errors. A number of analyses were run on the captured data. The results were reflected in graphical presentation by using bar and pie charts. These provided simple summarises of samples and measures. Frequency tables that were utilised contribute to the accurateness and effectiveness of data processing. Appropriate inferential statistics were used to measure relationships.

3.11 PILOT TESTING

A pilot study was conducted after the questionnaire had been drafted and checked for spelling, grammar and lack of ambiguity by the researcher and supervisor. Hussain (2016: 107) explains that a pilot study ensures that problems in relation to the questionnaire are dealt with early. This will allow the researcher to assess the appropriateness of the research method and its suitability. Denscombe (2012: 20) explains that pilot studies are small, preliminary studies are carried out before the main research. Academics were given the questionnaire for review. They ensured ambiguity is avoided and alterations to the final questionnaire were made.

3.12 VALIDITY AND RELIABILITY

Validity is the measure with which the tool evaluates the theory that the researcher is trying to measure. It articulates the researcher’s concern about the correct measurement. Validity is more difficult to access and it is vital importance that methods used to collect data must be valid (Middleton 2019: 1). Preventive measures will be utilised to minimise errors. In the process of distributing questionnaires, the respondents were informed about the purpose and how they can answer questions. Easy and straightforward questions were designed to accommodate levels of intellectual ability among the respondents.

Reliability is the degree that recurring measurements are conducted to produce similar results under regular conditions (Kumar, 2011: 181).
Considering reliability, SERVQUAL is a universal relevant instrument which may be used regularly (Javadi and Gol, 2011: 118). For this study, the SERVQUAL tool was preferred. According to Dehghan, Zenouzi and Albadvi (2012: 5), the SERVQUAL questionnaire is a regularly applied tool to access service quality to date. Javadi and Gol (2011: 118) further allude that regarding reliability, SERVQUAL is a common and frequently applicable tool that can be administered on a recurring basis.

3.13 ANONYMITY AND CONFIDENTIALITY

The researcher made use of pseudonyms to safeguard the identity of respondents. The researcher also assured anonymity to the respondents and protect their privacy. Any information that arises from the respondent’s participation in the research was protected.

3.14 ETHICAL CONSIDERATIONS

Ethical authorization was obtained from the University’s Ethics Committee before research was conducted. This was done to ensure that all ethical considerations are taken into account. The questionnaires were accompanied by information and authorization letter. The respondents were made aware of the purpose of this study and they were assured of their anonymity when completing the questionnaire. Factual information was precisely processed to prevent false results.

3.15 CONCLUSION

This chapter describes the methodology applied to conduct the survey. Quantitative study design was chosen as the appropriate research method for this study. Research designs encompassing descriptive research was discussed. The quantitative aspects, target population, sampling procedures were presented. A SERVQUAL instrument which is based on five dimensions (reliability, tangibles, assurance, reliability, empathy) was utilized in the data collection process.
Furthermore, reliability and validity, anonymity and confidentiality, and ethical consideration of the study were presented as the foundation on which this study was founded. The next chapter will present the research results and the analysis of the results.
CHAPTER FOUR
DATA ANALYSIS

4.1 INTRODUCTION

Chapter three discussed the research design, data collection methods and questionnaire design. In chapter four, the survey results are presented, interpreted and deliberated. A questionnaire was the fundamental instrument that was utilized to assemble information in this study. This questionnaire was circulated among 400 customers at the selected retail in Durban.

SPSS version 25.0 was used to examine the collected data from participants. The outcomes represent data in forms of tables, graphs and figures for the collected quantitative data. Inference methods consists of the use of chi square test values and correlations. This is expressed by using the p-values. According to Trochim (2020: 1), the use of descriptive statistics is the most fundamental way to describe and summarize data. Results obtained are presented using descriptive statistics in the form graphs and figures for the quantitative data gathered.

4.2 RESPONSE RATE OF THE SURVEY

Questionnaires were administered at a retail store in the Durban area. Four hundred (400) questionnaires were given to customers to complete and 400 were given back. This gave a 100% response rate. According to Andrew, Pedersen and McEvoy (2011: 56), a response rate is one of the most essential indicators of how you can trust the results. A low response rate may decrease the reliability of this study.

4.3 THE RESEARCH INSTRUMENT

The research tool consists of 48 items. This is with measurement levels at a nominal level. The questionnaire entailed of three parts which assessed several themes as shown below:

➢ Biographical data;
4.4 RELIABILITY STATISTICS

This section will look into the dependability of the findings. Reliability is determined by methods for taking a few estimations on the same subject. The researcher utilised Cronbach's alpha measures to evaluate the unwavering quality of the results. George and Mallery (2011: 160) explain that the reliability of the Cronbach’s alpha ranges from 0 to 1 and can be used to determine factors emanating from questionnaires, dichotomous or multi-point ones. Cronbach’s alpha evaluates how good a series of items (or variables) measure a one-dimensional hidden structure. In a multidimensional structure, a Cronbach’s alpha is normally low. Diedenhofen and Musch (2016: 51) explain that to compare at least two measures in regard to their inside consistency reliability, Cronbach's alpha coefficients are commonly prepared for each measure. For a legitimate correlation between Cronbach's alpha coefficients, substantive contrasts should be recognized from circumstantial differences that happen because of possibility. Table 4.2 is a reflection of the Cronbach’s alpha score for all the items that established the questionnaire.

Table 4.2: Reliability statistics for expectations and perceptions

<table>
<thead>
<tr>
<th></th>
<th>Expectation</th>
<th>Perception</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>No. of Items</td>
<td>Cronbach’s Alpha</td>
</tr>
<tr>
<td>Tangibles</td>
<td>4</td>
<td>0.857</td>
</tr>
<tr>
<td>Reliability</td>
<td>6</td>
<td>0.866</td>
</tr>
<tr>
<td>Responsiveness</td>
<td>3</td>
<td>0.796</td>
</tr>
<tr>
<td>Assurance</td>
<td>4</td>
<td>0.821</td>
</tr>
<tr>
<td>Empathy</td>
<td>5</td>
<td>0.840</td>
</tr>
</tbody>
</table>
As reflected in Table 4.2, the reliability results for every part surpass the suggested Cronbach’s alpha value (0 to 1). This shows a degree of adequate and dependable scoring for these sections of this study.

4.5 FACTOR ANALYSIS

Rahn (2018: 1) states that factor analysis is a beneficial tool for examining variable relationships for complex theories. It is also defined as a statistical procedure whose foremost purpose is data lessening. According to Yong and Pearce (2013: 79), factor analysis is a quantifiable method with the essential target being data reducing. This can be used to see whether the three measurers, measure a practically identical thing. If they measure the same, they might be joined to make another variable. This would be a factor score variable that incorporates a score for every member on the factor. Factor methods are proper to a variety of situations.

The results of the KMO and Bartlett’s Test is reflected in a matrix table which is preceded by a summary table. The Kaiser-Meyer-Olkin Measure of Sampling Adequacy is required to be bigger than 0.50 and the Bartlett’s Test of Sphericity to be less than 0.05. In all cases, it complies with the conditions permitted by the elemental analysis procedure.

<table>
<thead>
<tr>
<th>KMO and Bartlett's Test</th>
<th>Expectations</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Kaiser-Meyer-Olkin Measure of Sampling Adequacy.</strong></td>
<td>0.939</td>
</tr>
<tr>
<td><strong>Bartlett’s Test of Sphericity</strong></td>
<td><strong>Approx. Chi-Square</strong></td>
</tr>
<tr>
<td></td>
<td><strong>Df</strong></td>
</tr>
<tr>
<td></td>
<td><strong>Sig.</strong></td>
</tr>
</tbody>
</table>
Perceptions

### KMO and Bartlett's Test

<table>
<thead>
<tr>
<th>Kaiser-Meyer-Olkin Measure of Sampling Adequacy</th>
<th>0.902</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bartlett's Test of Sphericity</td>
<td></td>
</tr>
<tr>
<td>Approx. Chi-Square</td>
<td>4291.440</td>
</tr>
<tr>
<td>Df</td>
<td>231</td>
</tr>
<tr>
<td>Sig.</td>
<td>0.000</td>
</tr>
</tbody>
</table>

As it can be seen from table 4.3, all of the conditions for factor analyses are content. This means that the Bartlett's Test of Sphericity sig. value should be less than or equal to 0.05 and the Kaiser-Meyer-Olkin Measure of Sampling Adequacy value should be greater than 0.500. The outcome indicates that the Kaiser-Meyer-Olkin Measure of Sampling Adequacy for Expectations is 0.939 and Perceptions is 0.902. These scores are greater than 0.500. Furthermore, the results reveal that the Bartlett's Test of Sphericity level of significance for Expectations is 0.000 and Perceptions is 0.000. Both results are less than 0.05.
Table 4.4: Rotated Component Matrix

4.4.1 Expectation

<table>
<thead>
<tr>
<th>Component Matrix</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>E1</td>
<td>0.251</td>
<td>0.839</td>
<td>0.147</td>
<td>0.165</td>
<td>0.133</td>
</tr>
<tr>
<td>E2</td>
<td>0.306</td>
<td>0.803</td>
<td>0.062</td>
<td>0.190</td>
<td>0.241</td>
</tr>
<tr>
<td>E3</td>
<td>0.026</td>
<td>0.687</td>
<td>0.418</td>
<td>0.116</td>
<td>0.014</td>
</tr>
<tr>
<td>E4</td>
<td>0.166</td>
<td>0.598</td>
<td>0.293</td>
<td>0.180</td>
<td>0.399</td>
</tr>
<tr>
<td>E5</td>
<td>0.276</td>
<td>0.363</td>
<td>0.141</td>
<td>0.332</td>
<td>0.574</td>
</tr>
<tr>
<td>E6</td>
<td>0.183</td>
<td>0.269</td>
<td>0.118</td>
<td>0.462</td>
<td>0.591</td>
</tr>
<tr>
<td>E7</td>
<td>0.168</td>
<td>0.179</td>
<td>0.242</td>
<td>0.811</td>
<td>0.042</td>
</tr>
<tr>
<td>E8</td>
<td>0.262</td>
<td>0.117</td>
<td>0.154</td>
<td>0.769</td>
<td>0.247</td>
</tr>
<tr>
<td>E9</td>
<td>0.364</td>
<td>0.235</td>
<td>0.118</td>
<td>0.584</td>
<td>0.297</td>
</tr>
<tr>
<td>E10</td>
<td>0.495</td>
<td>0.205</td>
<td>0.123</td>
<td>0.324</td>
<td>0.434</td>
</tr>
<tr>
<td>E11</td>
<td>0.550</td>
<td>0.097</td>
<td>0.203</td>
<td>0.191</td>
<td>0.486</td>
</tr>
<tr>
<td>E12</td>
<td>0.690</td>
<td>0.180</td>
<td>0.114</td>
<td>0.092</td>
<td>0.347</td>
</tr>
<tr>
<td>E13</td>
<td>0.776</td>
<td>0.131</td>
<td>0.134</td>
<td>0.276</td>
<td>0.103</td>
</tr>
<tr>
<td>E14</td>
<td>0.671</td>
<td>0.304</td>
<td>0.265</td>
<td>0.324</td>
<td>0.170</td>
</tr>
<tr>
<td>E15</td>
<td>0.666</td>
<td>0.154</td>
<td>0.302</td>
<td>0.222</td>
<td>0.074</td>
</tr>
<tr>
<td>E16</td>
<td>0.535</td>
<td>0.054</td>
<td>0.312</td>
<td>0.036</td>
<td>0.475</td>
</tr>
<tr>
<td>E17</td>
<td>0.569</td>
<td>0.249</td>
<td>0.312</td>
<td>0.133</td>
<td>0.275</td>
</tr>
<tr>
<td>E18</td>
<td>0.248</td>
<td>0.261</td>
<td>0.583</td>
<td>0.311</td>
<td>0.113</td>
</tr>
<tr>
<td>E19</td>
<td>0.161</td>
<td>0.178</td>
<td>0.758</td>
<td>0.117</td>
<td>0.034</td>
</tr>
<tr>
<td>E20</td>
<td>0.239</td>
<td>0.136</td>
<td>0.718</td>
<td>0.225</td>
<td>0.244</td>
</tr>
<tr>
<td>E21</td>
<td>0.315</td>
<td>0.178</td>
<td>0.662</td>
<td>0.045</td>
<td>0.395</td>
</tr>
<tr>
<td>E22</td>
<td>0.340</td>
<td>0.170</td>
<td>0.413</td>
<td>0.116</td>
<td>0.556</td>
</tr>
</tbody>
</table>
### 4.4.2 Perception

**Rotated Component Matrix**

<table>
<thead>
<tr>
<th></th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>P1</td>
<td>0.173</td>
<td>0.130</td>
<td>0.797</td>
<td>0.058</td>
<td>0.150</td>
</tr>
<tr>
<td>P2</td>
<td>0.143</td>
<td>0.109</td>
<td>0.833</td>
<td>0.184</td>
<td>0.171</td>
</tr>
<tr>
<td>P3</td>
<td>0.162</td>
<td>0.097</td>
<td>0.763</td>
<td>0.207</td>
<td>0.075</td>
</tr>
<tr>
<td>P4</td>
<td>0.267</td>
<td>0.417</td>
<td>0.626</td>
<td>0.041</td>
<td>-0.168</td>
</tr>
<tr>
<td>P5</td>
<td>0.157</td>
<td>0.738</td>
<td>0.312</td>
<td>0.126</td>
<td>-0.018</td>
</tr>
<tr>
<td>P6</td>
<td>0.083</td>
<td>0.752</td>
<td>0.217</td>
<td>0.016</td>
<td>0.198</td>
</tr>
<tr>
<td>P7</td>
<td>0.152</td>
<td>0.614</td>
<td>-0.076</td>
<td>0.335</td>
<td>0.095</td>
</tr>
<tr>
<td>P8</td>
<td>0.200</td>
<td>0.712</td>
<td>0.080</td>
<td>0.260</td>
<td>0.097</td>
</tr>
<tr>
<td>P9</td>
<td>0.202</td>
<td>0.518</td>
<td>0.082</td>
<td>0.149</td>
<td>0.473</td>
</tr>
<tr>
<td>P10</td>
<td>0.226</td>
<td>0.210</td>
<td>0.212</td>
<td>0.158</td>
<td>0.769</td>
</tr>
<tr>
<td>P11</td>
<td>0.734</td>
<td>0.259</td>
<td>0.044</td>
<td>0.211</td>
<td>0.029</td>
</tr>
<tr>
<td>P12</td>
<td>0.708</td>
<td>0.272</td>
<td>0.142</td>
<td>0.030</td>
<td>0.122</td>
</tr>
<tr>
<td>P13</td>
<td>0.769</td>
<td>0.162</td>
<td>0.137</td>
<td>0.097</td>
<td>0.010</td>
</tr>
<tr>
<td>P14</td>
<td>0.736</td>
<td>0.137</td>
<td>0.247</td>
<td>0.207</td>
<td>-0.038</td>
</tr>
<tr>
<td>P15</td>
<td>0.731</td>
<td>-0.060</td>
<td>0.251</td>
<td>0.140</td>
<td>0.219</td>
</tr>
<tr>
<td>P16</td>
<td>0.611</td>
<td>0.073</td>
<td>0.056</td>
<td>0.375</td>
<td>0.296</td>
</tr>
<tr>
<td>P17</td>
<td>0.601</td>
<td>0.178</td>
<td>0.142</td>
<td>0.380</td>
<td>0.199</td>
</tr>
<tr>
<td>P18</td>
<td>0.156</td>
<td>0.218</td>
<td>0.115</td>
<td>0.645</td>
<td>0.379</td>
</tr>
<tr>
<td>P19</td>
<td>0.337</td>
<td>-0.121</td>
<td>0.340</td>
<td>0.474</td>
<td>0.034</td>
</tr>
<tr>
<td>P20</td>
<td>0.278</td>
<td>0.265</td>
<td>0.082</td>
<td>0.723</td>
<td>-0.028</td>
</tr>
<tr>
<td>P21</td>
<td>0.267</td>
<td>0.331</td>
<td>0.102</td>
<td>0.694</td>
<td>-0.028</td>
</tr>
<tr>
<td>P22</td>
<td>0.076</td>
<td>0.094</td>
<td>0.168</td>
<td>0.706</td>
<td>0.133</td>
</tr>
</tbody>
</table>

Factor analysis is a factual strategy whose principle reason for existing is to lessen information. The standard utilization of factor analysis is found in ponders where analysts try to present a series of questions with few speculations. With reference to the table above:

- As an extraction method, the base component method was used, as well as the Varimix method using Kaiser Normalization. This is an orthogonal rotation method that minimizes the number of variables with high loads for each factor. This simplifies the interpretation of factors;
- Factor analysis/loading shows the relationships between variables; and
Items of questions that loaded similarly suggest measurement along a similar factor. An inspection of the content of items loading at or above 0.5 (and using the higher or highest loading in instances where items cross-loaded at greater than this value) effectively measured for various components.

Expectations statements are established sections, namely, tangibles, responsiveness and assurance all loaded impeccably along a single component. This proposes that the statements that constituted these sections impeccably measured what it set out to measure. However, responsiveness and assurance loaded along the same factor, implying that respondents saw commonalities in the statements that constituted these sections. The remaining sections split across 3 and 2 factors. With regard to perceptions, four of the sections loaded perfectly with reliability splitting across two factors. However, responsiveness and assurance also loaded along a single component.

4.6 DIMENSION ANALYSIS WITH GAP SCORES

This section is devoted to analyzing differences in measurements. The table and graph below show the average results for each statement and the difference between the expectations and perceptions of each component. The five service quality dimensions are analyzed, and the gap scores show how closely customers’ perceptions are to their expectations. To decide if the scoring patterns per statement were significantly different, a Wilcoxon test was done. Hayes (2019) clarifies that the Wilcoxon test is a nonparametric statistical test that compares two paired groups. P-values that are less than 0.05 would imply a significant difference.

4.6.1 Dimension: Tangibles

Ramya, Kowsalya, Dharanipriya (2019: 40) indicate that this is known to be the appearance of physical facilities and equipment existing in service organisations. Customers use tangibles in assessing services. Therefore, retailers may use these to improve their image and service quality to consumers. Specific signals that are part of this dimension include the store layout, store equipment, visuals and personal appearance of workers, which customers use to perceive the service quality of a retail store.
Table 4.5: Tangibles scoring patterns

<table>
<thead>
<tr>
<th></th>
<th>E</th>
<th>P</th>
<th>Gap</th>
<th>Wilcoxon Test p-value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Excellent retail stores should have modern equipment.</td>
<td>1</td>
<td>4.0</td>
<td>4.0</td>
<td>0.0</td>
</tr>
<tr>
<td>A retail store should have physical appearance that are visual appealing</td>
<td>2</td>
<td>4.2</td>
<td>4.2</td>
<td>0.0</td>
</tr>
<tr>
<td>The physical environment of the store is clean</td>
<td>3</td>
<td>4.2</td>
<td>4.1</td>
<td>-0.1</td>
</tr>
<tr>
<td>Employees at an excellent retail store should be neat in appearance</td>
<td>4</td>
<td>4.2</td>
<td>4.3</td>
<td>0.1</td>
</tr>
<tr>
<td><strong>Overall</strong></td>
<td></td>
<td>4.2</td>
<td>4.2</td>
<td>0.0</td>
</tr>
</tbody>
</table>

Table 4.5 shows the tangibles individual statements and scorings. The statements show the expectations and perceptions of respondents at the selected retail store. The average gap for this dimension is 0.0. The small gaps that there isn’t a lot of distinction between what the respondents expect and what they really get. The largest gaps are for the physical hygiene of the store. The mean gap scores are -0.1. Customers use physical assets to evaluate services, and retailers can use them to enhance their image and service quality. There are no highlighted Wilcoxon Test p-value sig. values (p-values) that are less than 0.05 (the level of significance). It implies that the central values were similar. Overall, the table shows that the gaps are comparatively insignificant. Therefore, it can be concluded that customers of the selected retail store are satisfied with this service quality dimension of tangibles. Figure 4.3 shows a simplified graph of Table 4.5

Figure 4.3: Tangibles - Mean Scores
Figure 4.3 shows the tangible factors expected and perceived by customers in the selected retail store. The overall gap for this dimension for this dimension is 0.0, this means that there is no difference between what the customers expects to receive and what they actually get.

4.6.2 Dimension: Reliability

Reliability is the ability of the retailer to provide reliable and consistent service quality promised. It also refers to the ability to provide the same quality time after time without any problems in a way that matches promises made in communications (Machando and Diggines, 2012: 124). According to Pakurár, Haddad, Nagy, Popp and Oláh (2019: 5) this dimension is considered to be the most important factor impacting satisfaction.

Table 4.6: Reliability scoring patterns

<table>
<thead>
<tr>
<th></th>
<th>E</th>
<th>P</th>
<th>Gap</th>
<th>Wilcoxon Test p-value</th>
</tr>
</thead>
<tbody>
<tr>
<td>When the retailer promises to do something by a certain time, they should do so</td>
<td>5</td>
<td>4.2</td>
<td>4.3</td>
<td>0.1</td>
</tr>
<tr>
<td>When I have a problem, the retailer should show interest in solving the problem</td>
<td>6</td>
<td>4.2</td>
<td>4.3</td>
<td>0.1</td>
</tr>
<tr>
<td>The store performs the service at the right time</td>
<td>7</td>
<td>4.1</td>
<td>4.3</td>
<td>0.2</td>
</tr>
<tr>
<td>The store provides their services at the time they promise to do so</td>
<td>8</td>
<td>4.2</td>
<td>4.3</td>
<td>0.1</td>
</tr>
<tr>
<td>The retailer should focus on error free records</td>
<td>9</td>
<td>4.1</td>
<td>4.3</td>
<td>0.2</td>
</tr>
<tr>
<td>Employees should always make information easily obtainable by customers</td>
<td>10</td>
<td>4.2</td>
<td>4.3</td>
<td>0.1</td>
</tr>
<tr>
<td>Overall</td>
<td>4.2</td>
<td>4.3</td>
<td>0.1</td>
<td></td>
</tr>
</tbody>
</table>

As reflected in table 4.6, the average gap score for reliability is 0.1. The findings show that the respondents are in agreement that the retailer should have high levels of reliability. The results above also show consistency in all statements. It can be concluded that the selected store delivers on its promises to customers which satisfies the customer. However, the highlighted Wilcoxon Test p-value show significant differences. This means that the central values weren’t similar. That is, the differences between the average Expectation and Perception were significant. Ramya, Kowsalya, Dharanipriya (2019: 40) mention that irrespective of the type of services delivered to the consumers, reliability is seen as the most important characteristic in providing customers with services. Figure 4.4 represents the data in a less complex graph. Figure 4.4 shows the above results in a graph format.
Figure 4.4: Reliability – Mean Scores

Figure 4.4 illustrates that the average gap score for the reliability dimension is 0.1. Therefore, the selected retailer has been able to achieve this service quality of reliability.

4.6.3 Dimension: Responsiveness

Responsiveness is the capability to offer customised solutions for customers. Keeping a customer waiting results in the customer not being satisfied and results in negative perception of service quality (Javadi and Gol, 2011: 120). This dimension emphasizes attentiveness and speed of solving customer questions, complaints, needs and concerns of customers. Service providers should always be available to assist customers quickly (Zeithaml, Bitner and Gremler, 2013: 177). Table 4.7 shows the expected and perceived scores for the responsiveness dimension.

Table 4.7: Responsiveness scoring patterns

<table>
<thead>
<tr>
<th></th>
<th>E</th>
<th>P</th>
<th>Gap</th>
<th>Wilcoxon Test p-value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employees should offer quick and friendly service to the customers</td>
<td>11</td>
<td>4.2</td>
<td>4.3</td>
<td>0.1</td>
</tr>
<tr>
<td>Employees should be always be willing to help</td>
<td>12</td>
<td>4.2</td>
<td>4.3</td>
<td>0.1</td>
</tr>
<tr>
<td>Employees should be able to respond to a customer’s request</td>
<td>13</td>
<td>4.2</td>
<td>4.3</td>
<td>0.1</td>
</tr>
<tr>
<td>Overall</td>
<td>4.2</td>
<td>4.3</td>
<td>0.1</td>
<td></td>
</tr>
</tbody>
</table>
The overall gap for responsiveness is 0.1. The findings disclose that the respondents at the selected store agree that the retailer should have high levels of responsiveness. From this table, it can be said that the respondents are pleased with this service quality dimension. The retailer needs to maintain this with its customers. The highlighted Wilcoxon Test p-value show significant differences. This means that the central values were not similar. That is, the differences between the average Expectation and Perception were significant. Levy and Weitz (2012: 506) explains that this dimension includes the desire to assist customers and provide quick services. This may be done by returning customer calls and replying to e-mails as soon as possible.

**Figure 4.5: Responsiveness – Mean Scores**

As revealed in Figure 4.5, the expected average response is 4.2. The above findings show that the respondents of the selected store agree that the store should have a high level of responsiveness. The perceived mean scores for the selected retailer is 4.3.

### 4.6.4 Dimension: Assurance

This dimension is defined as inspiring trust and confidence. It is the capability of the store employees to offer trust and confidence to their customers (Zeithaml, Bitner and Gremler, 2013: 90).
Dehghan, Zenouzi and Albadvi (2012: 5) highlight that assurance is the level of service that is delivered to customers that they believe in and can be trusted. The knowledge and experience of employees in assuring customers as an important factor.

Table 4.8: Assurance scoring patterns

<table>
<thead>
<tr>
<th></th>
<th>E</th>
<th>P</th>
<th>Gap</th>
<th>Wilcoxon Test p-value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Behaviour of employees should instill confidence in customers</td>
<td>14</td>
<td>4.3</td>
<td>4.3</td>
<td>0.0</td>
</tr>
<tr>
<td>Customers should feel safe in their transactions with the employees</td>
<td>15</td>
<td>4.2</td>
<td>4.3</td>
<td>0.1</td>
</tr>
<tr>
<td>Employees should always be polite to customers</td>
<td>16</td>
<td>4.3</td>
<td>4.3</td>
<td>0.0</td>
</tr>
<tr>
<td>Employees should have the knowledge to answer to customers’ questions</td>
<td>17</td>
<td>4.2</td>
<td>4.3</td>
<td>0.1</td>
</tr>
<tr>
<td>Overall</td>
<td>4.3</td>
<td>4.3</td>
<td>0.0</td>
<td>0.524</td>
</tr>
</tbody>
</table>

Table 4.8 illustrates that the overall gap for assurance is 0.0. The average expected mean score for Assurance is 4.3 and the average perceived score is perceived still at 4.3. This indicates that the participants feel safe with their transactions in the store and the employees have knowledge of their questions. Dehghan, Zenouzi and Albadvi (2012: 5) emphasize that employee knowledge and skills are important in assuring customers. Figure 4.6 shows a simplified graph of Table 4.8.

Figure 4.6: Assurance – Mean Scores
Figure 4.6 shows that the gap for this dimension is 0.0. This is an indication that the respondents have trust and confidence towards the retailer.

4.6.5 Dimension: Empathy

Machando and Diggines (2012: 124) state that care and attention offered by the retailer to the customer must be adhered to. This is done to ensure that customers' needs are met. Personalization is an attempt to show empathy to the customer. The opportunities for personalization are endless because of our modern world of internet, mobile phones and email. Javadi and Gol (2011: 123) further explain that empathy is treating customers as individuals.

| Table 4.9: Empathy scoring patterns |
|------------------------------------|---|---|---|---|
| The store gives customers individual attention | 18 | 4.3 | 4.3 | 0.0 | 0.424 |
| Opening hours of the store is convenient to customers | 19 | 4.3 | 4.5 | 0.2 | **0.003** |
| Employees should give customers personal service | 20 | 4.4 | 4.4 | 0.0 | 0.675 |
| The store has the customer's interest at heart | 21 | 4.3 | 4.3 | 0.0 | 0.879 |
| Employees should understand customers' specific needs | 22 | 4.4 | 4.5 | 0.1 | **0.012** |
| Overall | 4.3 | 4.4 | 0.0 | |

The overall gap for empathy is 0.0. This shows that the respondents are happy with the empathy given to them. They feel that they are being understood and the opening hours of the retailer is convenient for them. On the other hand, the highlighted Wilcoxon Test p-value show significant differences. It indicates that the central values were not similar. That is, the differences between the average Expectation and Perception were significant. Ramya, Kowsalya, Dharanipriya (2019: 40). add that retailers must show that they understand that each customer is an exclusive with individual needs. Figure 4.7 shows the results in a less complex graph.
As shown in figure 4.7, the average result for the expected values for empathy is 4.3. Mean scores for perceived value for empathy is 4.4. This shows that the respondents get individual attention from the retailer.
4.7 KRUSKAL WALLIS TESTS
The traditional approach to presenting results is statistically significant. The p-value is generated in the statistical test. Significant results are expressed with "p < 0.05".

**Table 4.10: Kruskal Wallis Test - Grouping Variable: Gender**

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Kruskal-Wallis H</td>
<td>3.0</td>
<td>2.3</td>
<td>1.6</td>
<td>1.3</td>
<td>0.9</td>
<td>0.2</td>
<td>0.4</td>
<td>0.2</td>
<td>3.0</td>
<td>5.08</td>
<td>0.00</td>
<td>0.00</td>
<td>0.02</td>
<td>0.09</td>
<td>0.26</td>
<td>0.98</td>
<td>0.25</td>
<td>1.06</td>
<td>1.93</td>
<td>0.02</td>
<td>4.03</td>
<td>1.48</td>
</tr>
<tr>
<td>df</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>Asymp. Sig.</td>
<td>0.0</td>
<td>0.1</td>
<td>0.1</td>
<td>0.2</td>
<td>0.3</td>
<td>0.6</td>
<td>0.5</td>
<td>0.6</td>
<td>0.0</td>
<td>0.02</td>
<td>0.95</td>
<td>0.96</td>
<td>0.87</td>
<td>0.76</td>
<td>0.61</td>
<td>0.32</td>
<td>0.61</td>
<td>0.30</td>
<td>0.16</td>
<td>0.88</td>
<td>0.04</td>
<td>0.22</td>
</tr>
</tbody>
</table>

As illustrated in table 4.11, the p-value between males and females for Gap 10 is 0.024 while Gap 21 is 0.045. This means that there is a significant difference between the variables highlighted in yellow with regards to employees should always make information easily obtainable by customers or the store has the customers interest at heart. That is, the gender of the respondent did play a significant role in terms of how respondents viewed the gap score for statement 10 and 21. This indicates that the mean for females was 0.1531 whilst that for males was -0.0524. It can be concluded that women remain predominant participants. This view is supported Lewis (2015: 1) who allege that more women participate in comparison to men.
Table 4.11: Kruskal Wallis Test - Grouping Variable: Age

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Kruskal-Wallis H</td>
<td>4.426</td>
<td>4.37</td>
<td>4.28</td>
<td>4.20</td>
<td>4.13</td>
<td>4.06</td>
<td>4.00</td>
<td>3.93</td>
<td>3.87</td>
<td>3.81</td>
<td>3.75</td>
<td>3.70</td>
<td>3.65</td>
<td>3.60</td>
<td>3.55</td>
<td>3.50</td>
<td>3.45</td>
<td>3.40</td>
<td>3.35</td>
<td>3.30</td>
<td></td>
</tr>
<tr>
<td>df</td>
<td>3</td>
<td>3</td>
<td>3</td>
<td>3</td>
<td>3</td>
<td>3</td>
<td>3</td>
<td>3</td>
<td>3</td>
<td>3</td>
<td>3</td>
<td>3</td>
<td>3</td>
<td>3</td>
<td>3</td>
<td>3</td>
<td>3</td>
<td>3</td>
<td>3</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td>Asymp. Sig.</td>
<td>0.219</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
</tr>
</tbody>
</table>

As reflected in table 4.11, the p-value between ages of the participants for Gap 2 is 0.033. There is a huge difference between the highlighted variables. The age factor of the participants played an important part in how customers viewed the gap score for statement 2.

Table 4.12: Kruskal Wallis Test - Grouping Variable: How often do you shop at this retailer?

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Kruskal-Wallis H</td>
<td>4.2</td>
<td>3.1</td>
<td>5.3</td>
<td>1.2</td>
<td>4.4</td>
<td>3.5</td>
<td>3.6</td>
<td>5.1</td>
<td>5.0</td>
<td>1.24</td>
<td>3.71</td>
<td>0.32</td>
<td>1.02</td>
<td>0.04</td>
<td>1.26</td>
<td>1.18</td>
<td>1.14</td>
<td>5.18</td>
<td>0.36</td>
<td>6.78</td>
<td>10.1</td>
</tr>
<tr>
<td>df</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>Asymp. Sig.</td>
<td>0.1</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.53</td>
<td>0.15</td>
<td>0.85</td>
<td>0.59</td>
<td>0.97</td>
<td>0.53</td>
<td>0.55</td>
<td>0.56</td>
<td>0.07</td>
<td>0.83</td>
<td>0.03</td>
<td>0.00</td>
</tr>
</tbody>
</table>

Table 4.12 shows that the p-value between how much the respondents shop at the selected retailer for Gap 20 is 0.034. This reflects a major difference among the variables highlighted above. It shows that the number of times respondents shop at the selected retailer played a significant role in how they view the gap score for statement 20.
4.9 Conclusion

Chapter four showed several techniques of qualitative analysis used to attain descriptive statistics. Results obtained were presented by means of graphs and tables, which provided a comprehensive analysis. The assessment between the expectations of the selected retailer and perceptions of the quality of service has been determined and presented. According to the gap analysis of service dimensions, the difference among the expectations and perceptions were also presented and analysed. From this chapter, it can be concluded that the selected retailer is meeting its customers' expectations. However, there is room for improvement and crucial aspects of attracting new customers have to be applied. The importance of service quality needs to be adhered to in order to advance customer service and satisfaction. The outcomes revealed that customers are delighted with the service that the retailer delivered. The retailer is consistent and reliable with promised service delivery. Furthermore, customers were also pleased with the responsiveness dimension of the selected retailer. When measuring the tangible dimension, there was no difference between what the customer expects to receive and what they actually get. The same results were received when measuring the dimension of Assurance and Empathy. Chapter five will give the conclusions and recommendations drawn from this study. This includes the identification of limitations, which will direct the study towards conceivable outcomes for future research.
CHAPTER FIVE
CONCLUSION AND RECOMMENDATIONS

5.1 INTRODUCTION

The previous chapter looked at the investigation of data obtained from 400 questionnaires distributed to consumers of the selected retail store. Chapter five presents in detail the aspects of the results and results related to the objectives of this study. This chapter summarizes the study by scrutinizing the findings of the literature and empirical study. The findings in the study which are related to the service quality dimensions are deliberated. The SERVQUAL instrument plays an important role in assessing and observing service quality in the selected retailer in Durban. This chapter also deliberates recommendations for improving customer satisfaction. Furthermore, suggestions for future studies are provided.

5.2 SUMMARY OF THE THEORETICAL STUDY

Determining customer satisfaction at a selected food retailer in Durban is one of the major purposes of this research study. The objective was to provide stakeholders with a deep understanding as how to exceed service quality. Understanding this competitive retail sector will enable food retailers to better their retention of current and new customers. The literature review gave an outline of food retailers in South Africa. Customer satisfaction and appropriate service quality literature in relation to this study were reviewed. The importance of service quality and customer satisfaction was well explained. Customer service quality was a tool used by customers to evaluate how the service lives up to their expectations compared to the perception of the real service delivery. Customer satisfaction was seen as an assessment on how products or services offered by the retailer meet or exceed customer’s expectation. It is therefore important that retailers interact with their customers on a regular basis to enhance customer satisfaction.
To maintain the high standards of customer expectations and perceptions; the components of service quality, service characteristics and dimensions of service quality were deliberated. The quality of services has increased significantly over the past ten years due to the unique attributes such as intangibility, inseparability, variability and perishability (Vibha, Ravichandran and Jain, 2011: 20). According to Lamb, Hair, McDaniel, Boshoff and Terblanche (2008: 218) services are sold, created and used up at the same time. This is also elaborated in detail in the review.

The SERVQUAL model which provides the measurements of customer satisfaction with a product or service by evaluating and associating both perceptions and expectations of customer through a variety of different service characteristics was discussed. The increasing importance of services has made retailers to pay attention on the quality of services delivered. Techniques of measuring service quality have become very important during the past few decades (Yarimoglu 2014: 80).

In the literature review, in-depth discussion of the Gap model of service quality was done. The model articulates how gaps can occur. At the selected retail store within the greater Durban area, gap analysis results in chapter four revealed that customer perceptions met their expectations. Gaps are always vital in underlining the areas of improvement no matter how relatively small they make appear. The summary of findings is discussed below.

5.3 SUMMARY OF THE EMPIRICAL STUDY
Chapter four evaluated, translated and presented the research outcomes in various formats. Four hundred (400) questionnaires were distributed in order to collect information from customers at the selected retailer in Durban. Therefore, this study was conducted in a quantitative nature. Based on the results of this study, it can be concluded that women are the predominant shoppers in the selected retail store. Respondents were between the ages of 30-40 years which represents 56.5%. It is also noted that most respondents shop at the selected retailer at least twice a month.
In order for customer service and customer satisfaction to advance, it is crucial that service quality needs are adhered to. The results of this study concluded that the selected retailer is meeting its customers' expectations. There is no difference between what the customer expects to receive and what they actually get when tangible dimension is measured. The same results were received when measuring the dimension of Assurance and Empathy. Exceeding customer expectations is a crucial aspect of attracting new customers that have to be applied by all food retailers.

5.4 ATTAINMENT OF RESEARCH OBJECTIVES

The objectives of this study function as the support of the entire body. Below is the discussion of the attainment of research objectives:

- **Objective 1: To identify the service quality factors that influence customer satisfaction**

Chapter two of this study presented theory that gave a comprehensive understanding of the significant features and the five (5) dimensions of service quality. Chapter two revealed that satisfying the customer involves meeting their needs and expectations. In chapter four, expectations of customers were recognised, verified and analysed. The five service quality dimensions shows the difference between the expectations of a customer and perceptions were assessed in relation to customers’ expectations of the delivery. The results showed that customers’ expectations at the selected retailer were fulfilled. Maintaining this is necessary across all five dimensions. Therefore, this objective has been achieved.

- **Objective 2: To ascertain customers’ expectations of service quality**

The literature review provided and gave comprehension of the basic attributes and measurements of service quality while chapter four presented analysis and identified customers’ expectations. Tangibles, reliability, responsiveness, assurance and empathy are the five measurements used according to customer expectations of the service delivery of the service quality dimensions that measured the gap between customers’ expectations and perceptions.
According to the results discovered in this study, customers’ expectation at the selected food retailer are satisfied with all service quality dimensions. As a result, objective two was met.

- **Objective 3: To investigate customers’ perceptions of services quality**
  The procedure of service delivery which is influenced by the five dimensions of service quality was discussed in the literature review. The five dimensions were described in detail and their significance in achieving customer satisfaction was highlighted. Customers’ perceptions of services were evaluated at the selected retail store within the greater Durban area in Chapter four. The results revealed a very small difference showing that customers’ expectations were met at the selected store. Therefore, it can be said that customers are provided with exceptional quality service. That is why this objective has been achieved.

- **Objective 4: To evaluate customer satisfaction using the SERVQUAL instrument**
  Chapter 2 gave an overview explanation of the SERVQUAL instrument. This level is understood as the difference between the expectations of customers of the service provider class and the level of service of a particular service provider. Chapter four provides measurements of the collected data and numerical analysis of calculations. Using the SERVQUAL instrument 44 items were measured. The analysis of the dimensions indicated that there is no significant difference between expectations and perceptions. In chapter 5, the recommendations on how to advance satisfaction are presented. As a result, objective 4 was met.

- **Objective 5: To provide competitive strategies which are capable to influence customer satisfaction among the food retailing industry.**
  Chapter two provides strategies on how to improve service quality which will enable retailers to have influence on customer satisfaction.
Recommendations were also made in chapter four which the retailer can utilize to gain a competitive advantage among food retailers in the greater Durban area. Therefore, this objective was also achieved.

5.5 LIMITATIONS

The methodology and conclusions can be restricted by certain influences that cannot be controlled by the researcher. This study determined certain limitations:

- The sample was only restricted to the selected food retailer within the greater Durban area;
- Convenience sampling was used therefore, the results of this study cannot be generalised to the entire population;
- The study may not have been an accurate representation of all customer age groups since the sample of the study only used respondents who were available and willing to participate; and
- The sample of the study only consisted of 400 respondents from the selected food retailer in Durban, KwaZulu-Natal only.

5.6 RECOMMENDATIONS

The selected retailer in the greater Durban area can distinguish and close gaps in service delivery by measuring customer satisfaction. Being consistent in measuring customers’ perceptions of service quality will assist the retailer to improve customer satisfaction. This will also help the retailer to stay focused and gain competitive advantage within the retail environment. The following recommendations are suggested:

- The retailer should conduct a competitor analysis which compares its own retailer with other retailers. The retailer will learn the best practices and strategies within the sector. It is of significant importance to know what your competitors are doing to satisfy their customers.
Findings reveal that consumers are pleased with the service they are getting. This is of vital importance that the retailer maintains its good practice. Identifying and being able to meet customer’s needs enables the retailer to stay competitive in the market (Wang and Ji, 2010: 137). The South African retail industry is highly competitive, fulfilling or exceeding customer expectations should be done regularly to earn customer loyalty. Customer evaluation of customer service is based on one decisive factor; the difference between expectation and perception (Kumar, Manjunath and Kumar, 2012: 370).

The retailer should work on strategies of attracting other age groups. Results confirm that there is a major difference between the age gaps. 56.5% of the respondents were in between 30-40 years of age range. This is more than half of the customer base of the retailer. Management must make time to gather and assess customer assertiveness, expectations, desires and views on a regular basis of the other age groups. Employees should encourage customer feedback to assist in identifying expectations of the other age groups.

Everyone in the retail store is responsible for customer satisfaction. It is of vital importance that every employee has the understanding, resources and abilities to deliver precise customer service. The same mentality should be passed on to new employees of the store. Through the findings, it is evident that customers feel like the employees of the selected retailer have sufficient knowledge. This can be enhanced by trainings that can be done at store level. This way, even new employees are also knowledgeable. According to Tecoalu (2015: 394), retail employees need to have interactive abilities shown by individuals who care about other people. Their behaviour should exceed what is required of them. This behaviour will have an effect on enlightening the efficiency and viability of the retailer.
The retailer should maintain the standard it has set with its customers. Findings show that there is no significant growth between expectations and perceptions. Therefore, it can be said that customers are pleased with the service they get. It is therefore important that the retailer maintains this. It needs continuous measurement to monitor and recognise areas that are responsible for service quality and therefore managers need to be attentive on evaluating service quality.

The retailer should show the concept of empathy more regularly in their dealings with customers. Findings reveal that the reliability scoring is acceptable, but empathy shows least score in regards to customer perception. The retailer needs to make customers aware that they are interested and care about their needs and show recognition. The retailer can come up with innovative strategies to guarantee that their customers get personalised devotion. An example would be to create loyalty cards for their regular customers. This recognition helps to build a relationship between a customer and retailer.

Findings indicate that there is no difference with the store’s tangibles. This means that customers are satisfied with the appearance of physical facilities and equipment existing in the store. The retailer must aim at exceeding customer expectations. Customers use physical assets to evaluate services. The selected retailer can use physical assets to improve their image and enhance service quality.

5.7 DIRECTION FOR FUTURE STUDY

This study identified the influence of service quality on customer satisfaction at a selected food retailer in Durban. It is recommended that future studies should include all stores of the selected retailer that are based in Durban. This will enable the management of the retailer to know what other customers in others stores expect and perceive.
Preferably this can be done biannually because of constantly changing customer expectations. It will also assist the retailer to compare and determine how service developments have affected customers expectations and perceptions of customer service over time”. It was observed that some respondents had more to say regarding their expectations and perception of the selected retailer, but the questionnaire was not designed in a way that allowed them to express themselves. It is then suggested for future studies to be conducted in a qualitative nature to explore more in depth about service equality factors that have an impact on customer satisfaction, ascertain customer expectations of service quality and identify factors which influence service quality.

Moreover, further study should involve the expectations and perceptions of other key players (suppliers and contractors), with the purpose of assessing service quality in all aspects. The participation of key players will guarantee a detailed and comprehensive study. This will enable the retailer to build a strong foundation of service quality and its entire customer satisfaction levels.

5.8 CONCLUSION

The expectations and perceptions of customers at the selected food retailer in Durban, KwaZulu-Natal were explored in this study. The enhancement in relation to the delivery of customer service was also discussed. It can be drawn that customer expectations and perceptions will be an ongoing challenge of gaining competitive advantage and for retailers to remain relevant in this competitive industry. In order to accomplish this value, food retailers have to constantly review their strategies and advantageous approaches on improving customer satisfaction.

This study has discussed the imperative value of service quality towards food retailers in Durban. The ever changing customer demands positions retailers in a difficult dilemma as they have to strive to give exceptional service quality. Service quality brings about customer satisfaction.
Therefore, food retailers are urged to engage in active research to ensure they are ahead of customer demands, expectations or perception. It is crucial for food retailers to identify and know their customers.

Recommendations and conclusions that are provided in this chapter can be used by retailers as measures to improve customer satisfaction levels. There is no hesitation that other recommendations can be used positively to improve customer satisfaction. The retail environment is highly competitive, and the significance of customer satisfaction is of vital importance. Offering higher customer service can give a retailer competitive advantage. It is foreseen that this study will assist in achieving superior customer satisfaction at the selected retail store in Durban.
Reference list


Hayes, A. 2019. Wilcoxon Test. Available: 


Hussain, S.B. 2016. *The role of marketing at non-profit organisation in KwaZulu-Natal*. Dissertation for PhD in Management Sciences, Department of Marketing and Retail Management, Faculty of Management Sciences. Durban University of Technology. South Africa.


ANNEXURE 1: LETTER OF INFORMATION

LETTER OF INFORMATION

Title of the Research Study: Service Quality and its influence on customer satisfaction at a selected retailer in the greater Durban area.

Principal Investigator/s/researcher: Bhekiwe Nonokozo Simalane

Co-Investigator/s/supervisor/s: Professor J Govender

Brief Introduction and Purpose of the Study: This study will be conducted to evaluate the influence of service quality on customer satisfaction at a selected retailer in the greater Durban area. Hence, it was discovered that customers evaluate service quality by comparing their perceptions of the service they get with their expectation. A sample of 400 participants who purchase at a selected retailer will be used in conducting this study. The methodology will be quantitative in nature.

Outline of the Procedures: A SERVQUAL questionnaire will be administered covering the five dimensions of service quality. The questions will be directly linked to the aim and objectives of this study. Furthermore, the research questions will be in simplest terms, making them easy to be understood by respondents. The Linkert Scale will be used which will measure the attitudinal variables with 1 (strongly disagree) to 5 (strongly agree).

Risks or Discomforts to the Participant: None

Benefits: The participant will not gain any direct or in-direct benefits. The benefits of the researcher will only include obtaining the qualification, insight and understanding, and gaining knowledge.

Reason/s why the Participant May Be Withdrawn from the Study: The participants will be requested to be part of the study, avoiding unnecessary withdrawals. Respondents will be informed that they can withdraw from the study anytime.

Remuneration: No remuneration will be received.

Confidentiality: Identifying information of participants will not be collected and there will be no link of individual responses with participant’s identities.

Research-related Injury: There will be no compensation as the study is risk free.

Persons to Contact in the Event of Any Problems or Queries: (Supervisor: Prof. J Govender) Please contact the researcher (Cell no: 073 295 0847), my supervisor (tel no: 031 373 5425).
ANNEXURE 2: LETTER OF PERMISSION TO CONDUCT RESEARCH

Faculty of Management Sciences
Department of Marketing & Retail

Dear Participant

I invite you to participate in a research study entitled: Service Quality and its influence on customer satisfaction at a selected retailer in the greater Durban area. I am currently a student at Durban University of Technology, and am in the process of writing my Master’s Thesis. The purpose of the research is to evaluate the influence of service quality on customer satisfaction.

The enclosed questionnaire has been designed to collect information on service quality.

Your participation in this research project is completely voluntary. You may decline altogether, or leave blank any questions you don’t wish to answer. There are no known risks to participation beyond those encountered in everyday life. Your responses will remain confidential and anonymous. Data from this research will be kept under lock and key and reported only as a collective combined total. No one other than the researchers will know your individual answers to this questionnaire.

If you agree to participate in this project, please answer the questions on the questionnaire as best you can.

If you have any questions about this project, feel free to contact Miss Bhekiwe Simelane at bhekiwesims@gmail.com or Dr. T. Tlapana at tshepot@dut.ac.za.

Thank you for your assistance in this important endeavor.

Yours faithfully
B. N Simelane

073 295 0847
bhekiwesims@gmail.com
Good day Bhekiwe

We acknowledge receipt of your email. We are approached often with requests such as these and do decline applications such as these.

However!

YOUR REQUEST FOR PERMISSION TO CONDUCT RESEARCH IS APPROVED – with 11 strict conditions associated to the permission.

We acknowledge that you are a registered Master’s student in the Department of Retail and Marketing at Durban University of Technology. And that your supervisor is Mr T Tlapana.

We acknowledge your proposed topic of research as: Service Quality and its influence on customer satisfaction at a selected retailer in the greater Durban area.

The objectives of the study are:

• To evaluate the relationship between service quality dimensions and customer satisfaction. **Noted.**
• To ascertain the influence of service quality on customer satisfaction. **Noted.**
• To investigate customers’ expectations of services quality. **Noted.**
• To determine strategies of improving service offered to customers. **Noted.**

We acknowledge your contact details as:

Student’s Name: Bhekiwe Simelane

Cellphone Number: 073 295 0847

Email Address: bhekiwesims@gmail.com

**Strict Conditions Associated With The Permission Granted:**

1. The research will be conducted at Boxer West Street Durban store only
2. The research will be conducted at times at which the store is open to trade to the general public
3. The research will by no means prevent the shopper from being able to conduct their regular shopping; you are to act as an observer
4. The research feedback is issued to the store management daily in an objective manner
5. The research will by no means allow you to access the staff only areas; you will only be able to access the store where customers are allowed to be
6. You are responsible for your own safety as well as your items/possessions that you bring into the store
7. Photographs can only be taken with the store manager present and an explanation as to why the photograph(s) need to be taken
8. You will liaise with our Operations Director only in writing via email on ChrisTheron@boxer.co.za keeping him up-to-date with daily progress for his records
9. Should any of the above points be transgressed we reserve the right to decline and suspend our approval to do your research
10. You allow Chris Theron to meet with you at a mutually suitable time once your research is complete to discuss the research findings
11. Upon completion of the study, you undertake to provide a bound copy of the dissertation.

Please let us know when you intend to commence the research at Boxer West Street and the dates and times that you will be in-store.

Yours Sincerely,
Greetings Mr Mills

My name is Bhekiwe Simelane and I am currently pursuing my Masters Degree in Retail Business Management. I would like to use your store for my study. My study will be focusing on Service Quality and its influence on customer satisfaction.

Attached please find a letter requesting permission to conduct my study.

Regards
Bhekiwe Simelane
073 295 0847
ANNEXURE 4: QUESTIONNAIRE

This questionnaire is part of a research project and the study is to assess service quality and customer satisfaction using the SERVQUAL model. It would be greatly appreciated if you could answer the following questions.

SECTION A: GENERAL DEMOGRAPHIC INFORMATION

Please answer the following questions with an indication of [X]

1.1 Gender
Female | Male

1.2 Age
18-29 | 30-40 | 41-55 | 56 and above

1.3 Highest level of education
Lower than matric | Matric | Post matriculated

1.4 How often do you shop at this retailer
Once a month | Twice a month | More than twice a month

SECTION B: CUSTOMER EXPECTATIONS & PERCEPTIONS

Kindly rate the service you EXPECT and PERCEIVE for each statement. The rating guide is as follows:

<table>
<thead>
<tr>
<th>Ratings</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
</tr>
<tr>
<td>2</td>
</tr>
<tr>
<td>3</td>
</tr>
<tr>
<td>4</td>
</tr>
<tr>
<td>5</td>
</tr>
<tr>
<td>Expectation statement</td>
</tr>
<tr>
<td>------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>1 Excellent retail stores should have modern equipment.</td>
</tr>
<tr>
<td>2 A retail store should have physical appearance that are visual appealing</td>
</tr>
<tr>
<td>3 The physical environment of the store is clean</td>
</tr>
<tr>
<td>4 Employees at a retail store should be neat in appearance</td>
</tr>
<tr>
<td>5 When the retailer promises to do something by a certain time, they should do so</td>
</tr>
<tr>
<td>6 When I have a problem, the retailer should show interest in solving the problem</td>
</tr>
<tr>
<td>7 The store performs the service at the right time</td>
</tr>
<tr>
<td>8 The store provides their services at the time they promise to do so</td>
</tr>
<tr>
<td>9 The retailer should focus on error free records</td>
</tr>
<tr>
<td>10 Employees should always make information easily obtainable by customers</td>
</tr>
<tr>
<td>11 Employees should offer quick and friendly service to the customers</td>
</tr>
<tr>
<td>12 Employees should always be willing to help</td>
</tr>
<tr>
<td>13 Employees should be able to respond to a customer’s request</td>
</tr>
<tr>
<td>14 Behavior of employees should instill confidence in customers</td>
</tr>
<tr>
<td>15 Customers should feel safe in their transactions with the employees</td>
</tr>
<tr>
<td>16 Employees should always be polite to customers</td>
</tr>
<tr>
<td>17 Employees should have the knowledge to answer to customers’ questions</td>
</tr>
<tr>
<td>18 The store gives customers individual attention</td>
</tr>
<tr>
<td>19 Opening hours of the store is convenient to customers</td>
</tr>
<tr>
<td>20 Employees should give customers personal service</td>
</tr>
<tr>
<td>21 The store has the customer’s interest at heart</td>
</tr>
<tr>
<td>22 Employees should understand customers’ specific needs</td>
</tr>
<tr>
<td>Perception statement</td>
</tr>
<tr>
<td>-------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>1. Excellent retail stores should have modern equipment.</td>
</tr>
<tr>
<td>2. A retail store should have physical appearance that are visually appealing</td>
</tr>
<tr>
<td>3. The physical environment of the store is clean</td>
</tr>
<tr>
<td>4. Employees at an excellent retail store should be neat in appearance</td>
</tr>
<tr>
<td>5. When the retailer promises to do something by a certain time, they should do so</td>
</tr>
<tr>
<td>6. When I have a problem, the retailer should show interest in solving the problem</td>
</tr>
<tr>
<td>7. The store performs the service at the right time</td>
</tr>
<tr>
<td>8. The store provides their services at the time they promise to do so</td>
</tr>
<tr>
<td>9. The retailer should focus on error-free records</td>
</tr>
<tr>
<td>10. Employees should always make information easily obtainable by customers</td>
</tr>
<tr>
<td>11. Employees should offer quick and friendly service to the customers</td>
</tr>
<tr>
<td>12. Employees should be always be willing to help</td>
</tr>
<tr>
<td>13. Employees should be able to respond to a customer’s request</td>
</tr>
<tr>
<td>14. Behavior of employees should instill confidence in customers</td>
</tr>
<tr>
<td>15. Customers should feel safe in their transactions with the employees</td>
</tr>
<tr>
<td>16. Employees should always be polite to customers</td>
</tr>
<tr>
<td>17. Employees should have the knowledge to answer to customers’ questions</td>
</tr>
<tr>
<td>18. The store gives customers individual attention</td>
</tr>
<tr>
<td>19. Opening hours of the store is convenient to customers</td>
</tr>
<tr>
<td>20. Employees should give customers personal service</td>
</tr>
<tr>
<td>21. The store has the customer’s interest at heart</td>
</tr>
<tr>
<td>22. Employees should understand customers’ specific needs</td>
</tr>
</tbody>
</table>

THANK YOU FOR YOUR CO-OPERATION 😊