

**FACTORS INFLUENCING ON CUSTOMERS SATISFACTION  
TOWARDS RETAILERS: SPECIAL REFERENCE TO  
SUPERMARKET IN BATTICALOA**

**PUSHPARAJA THUSHYANTHARAJ**



FCM1872



Project Report  
Library - EUSL

**DEPARTMENT OF MANAGEMENT  
FACULTY OF COMMERCE AND MANAGEMENT  
EASTERN UNIVERSITY, SRI LANKA**

## ABSTRACT

A good supermarket sector with good customer satisfaction can accelerate the pace of development of a country. In the organization perspective, this industry considers the product related marketing strategies for increase their effectiveness of organizational customer satisfaction. When the supermarkets considered these marketing strategies they can increase the customer satisfaction and gain profitability. Hence, this study explores the impact of pricing, promotion, responsiveness and location on customer satisfaction of supermarkets in Batticaloa.

This study assessed the influence of selected variables on customer satisfaction in Batticaloa supermarkets. The researcher aims to achieve mainly three objectives. They are: To find out the levels of selected factors (pricing, promotion, responsiveness & location) and customer satisfaction among the customers of supermarket, to identify the relationships among of customer satisfaction and selected factors (pricing, promotion, responsiveness & location) and to identify the impact of selected factors (pricing, promotion, responsiveness & location) on customer satisfaction in retail supermarket.

In order to achieve the study objectives convenience sampling method was used. The researcher has selected two supermarkets namely Cargill's Food City and City Centre. Data were collected from questionnaire and data analyzed using SPSS version 22.0 in descriptive statistics. This study uses the four independent variables (pricing, promotion, responsiveness & location) and one dependent variable (customer satisfaction) of supermarkets.

In terms of levels of selected variables (pricing, promotion, responsiveness & location) and customer satisfaction were of higher level. In terms of second objectives, finding reveals that there is positive and significant relationship between selected variables (pricing, promotion, responsiveness & location) and customer satisfaction. The finding of the third objective reveals that the selected variables (pricing, promotion, responsiveness & location) have positive and significant impact on customer satisfaction of supermarket in Batticaloa.

**Keywords:** Batticaloa, Pricing, Promotion, Responsiveness, Location, Customer Satisfaction.

## Table of Contents

Page No.

<b>Acknowledgement</b> .....	<b>I</b>
<b>Abstract</b> .....	<b>II</b>
<b>Table of Contents</b> .....	<b>III</b>
<b>List of Tables</b> .....	<b>VI</b>
<b>List of Figures</b> .....	<b>VII</b>
<b>Chapter 1 Introduction</b> .....	<b>1-6</b>
1.1 Background of the Study.....	1
1.2 Problem Identification.....	3
1.3 Research Questions.....	5
1.4 Research Objectives.....	5
1.5 Scope of the Study.....	5
1.6 Significance of the Study.....	5
1.7 Chapter Summary.....	6
<b>Chapter 2 Literature Review</b> .....	<b>7-17</b>
2.1 Introduction.....	7
2.2 Concepts Theories of Customers' Satisfaction.....	7
2.3 Concepts Theories of Pricing.....	9
2.4 Concepts Theories of Promotion.....	10
2.5 Concepts Theories of Responsiveness.....	11
2.6 Concepts Theories of Location.....	12
2.7 Previous Research Findings.....	13
2.8 Chapter Summary.....	17
<b>Chapter 3 Conceptualization and Operationalization</b> .....	<b>18-22</b>
3.1 Introduction.....	18
3.2 Conceptualization.....	18
3.3 Conceptual Framework.....	18
3.4 Definition of Key Concepts.....	19
3.4.1 Pricing.....	19
3.4.2 Promotion.....	20
3.4.3 Responsiveness.....	20



3.4.4 Location.....	20
3.4.5 Customer Satisfaction.....	20
3.5 Operationalization.....	20
3.6 Chapter Summary.....	22
<b>Chapter 4 Methodology.....</b>	<b>23-26</b>
4.1 Introduction.....	23
4.2 Research Design.....	23
4.3 Time Horizon.....	23
4.4 Unit of Analysis.....	23
4.5 Data Collection Method.....	23
4.6 Sample Size Sampling Method.....	24
4.7 Reliability.....	24
4.8 Method of Data Analysis.....	25
4.9 Univariate Analysis.....	25
4.10 Bivariate Analysis.....	25
4.11 Correlation Analysis.....	26
4.12 Hypothesis Test.....	26
4.13 Chapter Summary.....	26
<b>Chapter 5 Data Presentation and Analysis.....</b>	<b>28-39</b>
5.1 Introduction.....	28
5.2 Reliability Analysis.....	28
5.3 Personnel Information.....	29
5.3.1 Gender.....	29
5.3.2 Age.....	29
5.3.3 Education Qualification.....	30
5.3.4 Status.....	30
5.3.5 Monthly Salary.....	30
5.4 Data Presentation and Analysis of Research Objective.....	31
5.4.1 Level of Customer Satisfaction.....	31
5.4.2 Pricing.....	32
5.4.3 Promotion.....	33
5.4.4 Responsiveness.....	34
5.4.5 Location.....	35

5.4.7 Correlation of Customer Satisfaction and Promotion.....	36
5.4.8 Correlation of Customer Satisfaction and Responsiveness.....	37
5.4.9 Correlation of Customer Satisfaction and Location.....	37
5.5 Regression Analysis.....	37
5.5.1 Model Summary.....	38
5.5.2 ANOVA.....	38
5.5.3 Coefficients.....	38
5.6 Chapter Summary.....	39
<b>Chapter 6 Findings and Discussion.....</b>	<b>40-44</b>
6.1 Introduction.....	40
6.2 Personal Information.....	40
6.3 Discussion of Research Information.....	41
6.3.1 Discussion of Objective 1.....	41
6.3.2 Discussion of Objective 2.....	42
6.3.3 Discussion of Objective 3.....	43
6.4 Chapter Summary.....	44
<b>Chapter 7 Conclusions and Recommendation.....</b>	<b>45-47</b>
7.1 Introduction.....	45
7.2 Conclusions.....	45
7.3 Recommendation.....	46
7.4 Limitation of the Study.....	47
7.5 Chapter Summary.....	47
<b>Reference.....</b>	<b>48-51</b>
<b>Appendix: Questionnaire.....</b>	<b>52-53</b>