

**DETERMINANTS OF CUSTOMER SATISFACTION IN
SUPERMARKETS IN NAIROBI**

BY
LIMBUGA DORIS
D61/8557/99

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**A MANAGEMENT RESEARCH PROJECT SUBMITTED IN PARTIAL
FULFILLMENT OF THE REQUIREMENT FOR THE DEGREE OF
MASTERS OF BUSINESS ADMINISTRATION.
FACULTY OF COMMERCE
UNIVERSITY OF NAIROBI**

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APRIL 2005.

DECLARATION

This project is my original work and has not been submitted for a degree in any other University.

Signed 

Doris Imbuga

Date 2nd August 2005

This project has been submitted for examination with my approval as University supervisor.

Signed 

Dr. Martin Ogutu

Chairman

Department of Business Administration

University of Nairobi

Date 2/8/05

DEDICATION

I would like to dedicate this project to my parents Francis and Mabel, who taught me the power of believing in myself and always reminded me that I could reach beyond the sky if I put my mind to it. To my husband Tony Mbugua who constantly pushed me to make this dream come true and my siblings Paul, Bridgette, Betty and Agnes. To my daughter Elaine who was my excuse to delay the conclusion of this project, I love you all, Thank you!!!. Last but not least, God, who has always looked out for me.

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I would also like to thank my lecturers Dr. Musyoka, Mr. Mutugu, Prof. Kibera and Mrs. Ombok and fellow MBA students who provided the knowledge and support to make it through the program.

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ABSTRACT

This study sort to determine which factors influenced customer satisfaction in supermarkets in Nairobi. To achieve this, Respondents were asked to rate how important they considered various services offered by the supermarkets and how satisfied they were with these services. They were also asked to rate how satisfied they were overall with the services offered by supermarkets.

The population of interest for this study comprised all customers of supermarkets in Nairobi. The sampling frame used was a complete list of all estates in Nairobi obtained from the Economic Survey of Kenya 2001. From this list there are 82 estates in Nairobi that are further subdivided into upper class, middle class and lower class. Simple random sampling using random tables was done to select 3 estates from each category and 15 households from each estate were selected to give a total of 135 respondents.

Primary data was used in this study and data was collected using a structured questionnaire. Two research assistants were used to aid in data collection and administered the questionnaire personally or used the drop and pick method where necessitated.

Collected data was summarized using the SPSS program and analyzed by use of tables, percentages and factor analysis. A likert scale was used to capture the satisfaction of the respondents with the services offered and the services they considered important. From this study it was found that the customers in Nairobi are satisfied with the services offered by supermarkets. Specifically they were satisfied with the store layout, cleanliness of the facilities, convenient operating hours and ease in finding things. The consumers were particularly not satisfied with the knowledge levels displayed by the staff.

It was recommended that managers find measures to address any dissatisfaction with the services they offer in order to encourage satisfaction and store loyalty.

This study was conducted in Nairobi and therefore the results could not be generalized as they may vary in other areas.

CHAPTER ONE

INTRODUCTION

1.1 Background

Christopher et al (1997) observe that organizational survival will depend upon their moving close to their customers, fully understanding their needs and wants. In the same vein Doyle (1994) argues that, for a business to succeed it should engage in or focus on satisfying customer needs and this can be through organizing itself to meet the needs of the target customers more efficiently than its competitors.

Supermarket retailing industry has traditionally been associated with using low pricing strategies, dealing with an assortment of all varieties of merchandise, location among others to create a competitive edge over other types of retailers. According to Appel (1992) supermarkets did not emerge until the late 1920's they developed as an antithesis of the small independent outlet, which tended to specialize in meat produce or dry groceries. Kotler and Armstrong (1997) described their growth as being due to several reasons which included the great economic depression of the 1930's when consumers became price conscious, Advertising which increased brands and brand awareness and one stop shopping of groceries, meat and household goods in a single location.

There has been stiff competition from food stores and discount stores forcing supermarkets to adopt proactive measures such as operating fewer but larger stores as well as dealing with many non food items such as beauty products, home appliances clothing etc in order to increase profits. According to Masese (2001) merchandise content is an important competitive strategy with both variety and assortment pulling in

customers. The two large supermarket chains Uchumi and Nakumatt use this strategy. To enhance ultimate customer satisfaction supermarkets have made great efforts to provide different types of merchandise from different manufacturers' variety and assortment.

Economic liberalization and the formation of regional groupings, PTA, EAC, and COMESA have made this possible. By enabling all supermarkets in Kenya to have access to multiple sources of merchandise from different manufacturers within economic regions competition has increased considerably. In their bid to become the best or favorite store the importance of understanding what customer satisfaction is and how it can be enhanced cannot be ignored.

1.2 The Supermarket Industry in Kenya

History dates back to the 1960's when there was one self-service store in Nairobi. The first ones to be recorded include Westland's general store (1960), K&A (1972), Ebrahims self service stores (1970) and Uchumi supermarkets (1975) many supermarkets in Kenya in the 1970's and 80's were Asian owned and were run as family businesses (Karemu, 1993).

Liberalization in the 1990's led to growth in supermarkets and several African owned ones came up. Munywoki (1997) argues that 70% of all supermarkets in Nairobi were established after 1980 and that 74% of all supermarkets are found in Nairobi. This increased growth of supermarkets and their concentration in Nairobi can be explained by the increase in rural urban migration

This industry has undergone a series of major transformations in recent years prompted mainly by aggressive competition stance brought about by liberalization. From the first supermarket in the 1960's there has been tremendous growth in the number of

supermarkets in Kenya. Nairobi has experienced the largest growth. By April 2000 there were more than 191 supermarkets licensed to operate in Nairobi area by the city council licensing office.

Several studies have been done on supermarkets in Nairobi though none has touched on customer satisfaction. Karemu (1992) carried out a study on the state of strategic management in Nairobi and found that there was intense competition especially for supermarkets within the city center, for they are centralized in one place and directly competing for the same customers. The study also found that service, location and variety of merchandise were most mentioned as creating competitive advantage.

1.3 Statement of the Problem

The positive consequences of companies achieving high levels of customer satisfaction and service quality are well documented; increased loyalty, customer retention, increased profits (Buzzell & Gale, 1987; Rust & Zahorik, 1993; Zeithmal, Berry & Parasuraman, 1996). Today manufacturing and service companies large and small, use satisfaction research to determine the critical product attributes that result in customer satisfaction.

Several studies on customer satisfaction have been done in the developed countries Clark and Hwang (1997) compared consumer satisfaction between American and Korean discount stores and found that customers of Korean discount stores are relatively less satisfied than the American consumers in management service and that satisfaction with sales people was the lowest variable in both markets.

In a study of credit card purchase by a major oil company's customers, Gilly and Gelb (1982) found out that customers are more likely to be satisfied by the company's

response to monetary problems, and they are more satisfied if the percent received is higher

In the Kenyan context most studies on the service sector focused on perceived service quality e.g. (Murithii, 1996; Mwaura, 2002; Mukiri, 2002) Ngatia (2000) tried to bridge the gap between perceptions of service providers (supermarkets) and customers on understanding of service quality. Odhiambo (2003) studied the determinants of customer satisfaction for mobile phone subscribers in Nairobi and found that there were several factors considered important in determining customer satisfaction for mobile phone subscribers that included customer service, service responsiveness, pricing and reliability. It should be noted that service quality and satisfaction are treated as distinct in literature. Most research on customer satisfaction concentrates on assessments of specific transactions (Holbrook and Coffman, 1985), whilst service quality concentrates on overall service excellence (Zeithmal, 1988). Quality is considered to be cognitive judgment whilst satisfaction is related to affect or attitude (Oliver, 1993).

Since the market was decontrolled in 1995 and subsequently liberalized, Kenyans have witnessed a drastic change in the market environment. There is increased customer awareness, rapid advances in technology, increased product ranges, shorter product life cycles and cutthroat competition. More and more companies are realizing that to remain profitable they have to expand and reach not only the national market but also the regional market.

Uchumi supermarket has already made a step in achieving this by setting up a store in Kampala, Uganda. To be able to penetrate other markets within the continent and beyond it is becoming necessary for firms to acquire ISO certification which is concerned with

"Quality management" this means that the organizations have to put in place systems that enhance customer satisfaction by meeting customer and applicable regulatory requirements, and continually to improve its performance in this regard. Internally, acquisition of ISO9001 leads to better operations, improved performance and improved profitability.

Measuring customer satisfaction is in fact an integrated value chain that should be the main driver of any organization. It includes areas like identifying customer requirements, measuring the satisfaction of customers with service delivery, continually assessing the importance of service and product attributes to customers, and building a process to field these customer requirements into the organizations daily operations. It is by managing these processes well that an organization can achieve satisfied customers.

There is therefore a need to understand the factors that affect customer satisfaction with supermarkets to encourage store loyalty and retention. This study is therefore in response to the following questions

1. What are the factors that influence customer satisfaction with supermarkets?
2. Which demographic variables are related to the factors that influence customer satisfaction?

1.4 Objective of the Study

1. To determine the factors that affect customer level of satisfaction.
2. To identify demographic variables related to the factors that influence customer satisfaction.

1.5 Importance of the Study

1. Scholars, academicians and researchers will find the study useful for enhancing their understanding of customer satisfaction and as a guideline for further research.
2. Current and new entrants in the industry will find the findings useful for improving their services, maintaining customer loyalty and increasing their customer base

Kibera and Waruinge (1998) define a retailer as “an individual or organization that predominantly sells goods and services to final consumers or users”

Retailing is the link in our marketing distribution system that makes goods and services available to consumers.

Forms of Retailing

Both Stanton et al (1991) and Zikmund et al (1991) concur that retailing can be broadly categorized into two broad categories namely store retailing or non-store retailing.

Stanton et al (1991) further define store retailing as that in which transactions are made in stores.

According to Gerry et al (1987) store retailing contributes over 80% of the total volume of trade in retailing under this category are supermarkets, departmental stores, convenience stores and retail petroleum outlets. Pride (1992) defines non store retailing as retailing that occurs outside stores and identifies various firms under this category as telemarketing through telephone, automatic vending machines, direct marketing by use of non personal media and direct selling in a home setting.

Supermarkets

There is no precise definition of a supermarket. Appel (1992) defines a supermarket as “a store with at least 2000 sq feet sales area, with three or more checkouts and operated mainly on a self-service basis whose range of merchandise comprises of food groups basic household requirements and cleaning materials”.

Kibera and Waruinge (1998) define a supermarket as “a large scale retailing institution with several departments operating primarily on a self service basis”

Stanton and Futrell (1987) define supermarkets as “a large departmental retailing institution offering a variety of merchandise and operating on a self service basis with a minimum of customer service”.

2.2 Benefits of Retailing

Retailers make it easier for us to buy. They provide critically needed services by acting as our buying agents. They are beneficial to consumers by performing various functions like.

Bulk breaking: - They buy goods in large quantities so as to earn significant quantity discounts and break them into smaller quantities for their customers

Assorting function: - By evaluating all the different products that are available and offering us the optimum array of products from which to choose

Storing function: - Where the retailer acquires and keeps a vast inventory of products so that they will be there when the customers need them

The retailer provides several services for customers like providing convenient shopping hours, delivery, credit, exchange privileges, parking and help from courteous and knowledgeable sales people

Karemu (1993) notes that retailers also finance the stock and assume risk as the title to the merchandise changes hands since there is usually a large line between when a retailer buys and when the consumer buys and consumes the product or service

Lagat (1995) underscores the importance of retailers as a source of information about the market since they are closer to and interact with the customer.

2.3 Retailing and Customer Satisfaction

According to Hasty and Reardon (1997) an expanded definition of retailing is marketing activities designed to provide satisfaction to final consumers and profitably maintain these customers through a program of continuous quality improvement across all areas not just selling goods and services. To execute this marketing process and facilitate customer satisfaction a retailer develops a retail marketing strategy that involves selecting a target market and implementing a retail marketing mix

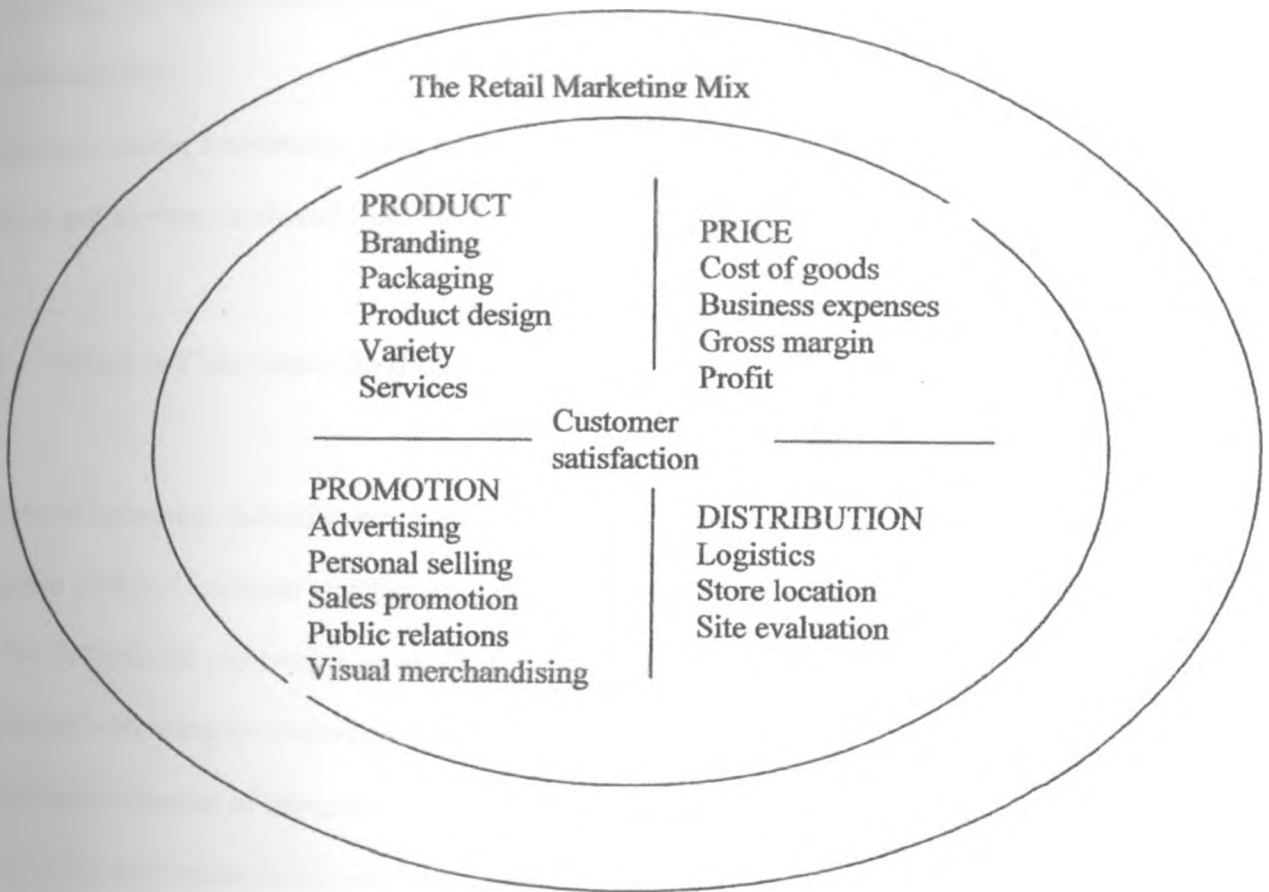


FIGURE 1 THE RETAIL MARKETING MIX.

Adapted from Retail Management by Hasty and Reardon 1997, Irwin/McGraw Hill

The retail marketing mix consists of the product, price, promotion and distribution strategies that will satisfy the members of the retail target market.

Customer satisfaction with a retail establishment maybe viewed as an individual's emotional and cognitive reaction to his or her evaluation of the total set of experiences realized from patronizing the retailer. The varied customer experiences in connection with retail patronage may be usefully categorized into two broad types:

(1) Experiences related to consuming the products and services obtained from the retailer.

(2) Experiences related to being in the store itself and dealing with the organization.

(Westbrook 1981).

Customers derive satisfaction both from the experiences in the store and use of each product and service purchased from the store.

2.4 What is Customer Satisfaction?

Studies of consumer behavior emphasize consumer satisfaction as the core of the post purchase period. Consumer satisfaction with a product/ service refers to the favorability of the individuals subjective evaluation of the various outcomes and experiences associated with using or consuming the product/service (Hunt 1997).

According to theories of buyer behavior (Engel, Kollat, and Blackwell 1973; Howard and Sheth 1969) the evaluation is based on a cognitive process in which consumers compare their prior expectations of product outcomes to those actually obtained from the product.

If actual product outcomes meet or exceed those expected satisfaction results. If however, product outcomes are judged to be below expectations, dissatisfaction occurs.

2.5 History of Customer Satisfaction Measurement

Customer satisfaction measurement has its roots in the Total quality management movement but was also explored on from a social-psychological perspective by marketing theorists. While the TQM School focused on the more pragmatic application of satisfaction information to design and manufacture, the marketers explored the psychology of satisfaction – how it was formed and the nature of its impact on future purchase behavior. Oliver (1980) came up with a model of the “antecedents and consequences of satisfaction decision”, which has been modified by Vavra (1997) below.

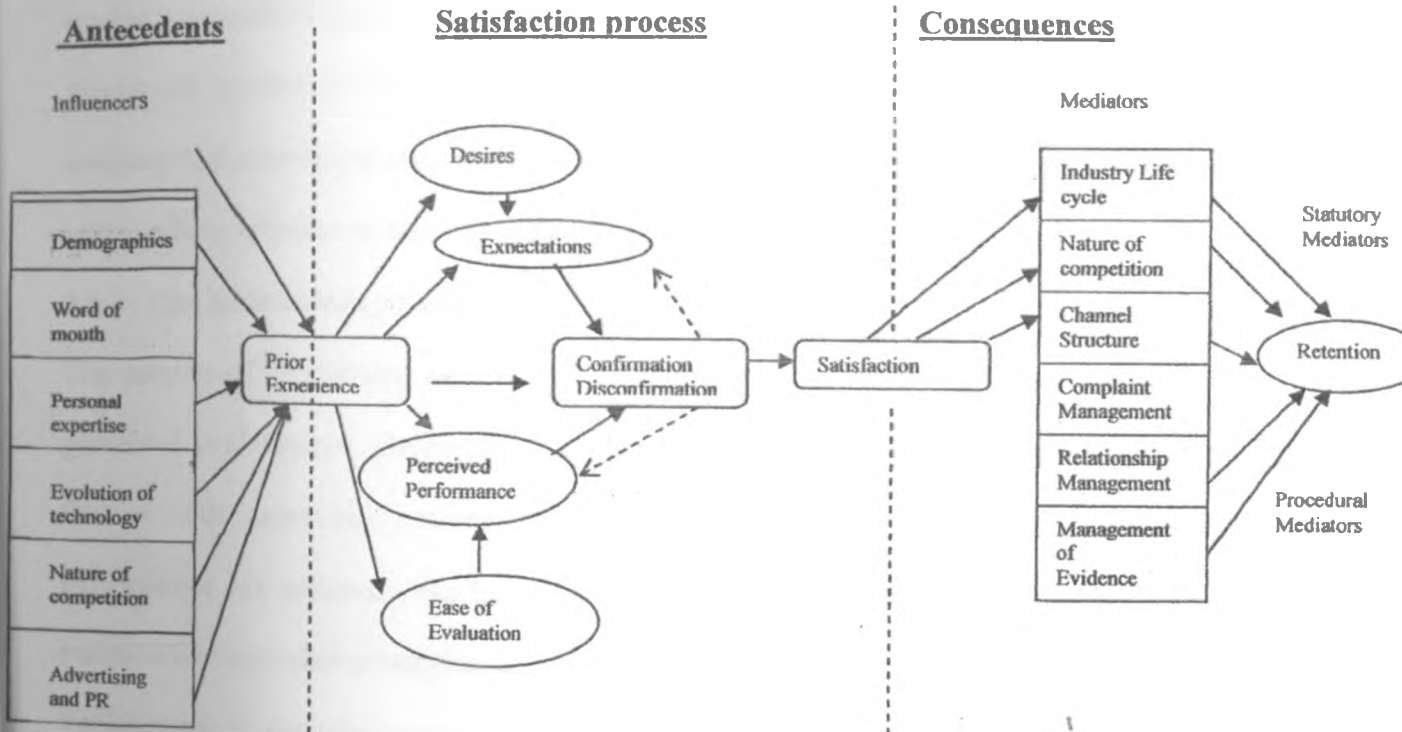


FIG 2: A MODEL OF CUSTOMER SATISFACTION.

Adapted from "Improving your measurement of customer satisfaction" by Vavra T G, Wheeler Publishing 1997

2.5.1 Antecedents

Prior experience is the most important antecedent of satisfaction. It serves as a "memory bank" of all the previous experiences with a product or service.

There are a number of mediators that may temper or enhance prior experience. These influencers are divided into personal mediators and situational mediators. The personal mediators have to do with characteristics of customers most notably demographics (age, income, education) and with personal expertise or competency. These mediators suggest the value of segmenting customers at some time during evaluation of ratings, since customers of similar demographics may be inclined to rate organizations in a similar fashion. Reinforcement or contradiction from peers (word of mouth) is also a personal mediator capable of modifying prior experience.

Situational mediators include evolution of technology, nature of competition in the category and advertising and public relation activity. Each of the mediators it is believed will similarly enhance or diminish a customer's prior experience.

2.5.2 The Satisfaction process

The process of formulating satisfaction encapsulates a comparison of expectations with perceived performance. Expectations are influenced by prior experience. It is believed that as prior experience becomes more and more satisfying, expectations for future performance are adjusted even higher. Olsen and Dover (1979) define expectations as beliefs about a product or services attributes or preference at sometime in the future.

Performance is the other component of the confirmation /disconfirmation comparison.

There are two types of performance, objective and perceived. Objective performance, conformance to the specification of design, it is not easily operationalised because

perceptions of performance vary across customers; perceived performance (the customers recognition of performance) is most easily measured.

Prior experience helps to make more salient certain aspects of a products or services performance.

2.5.3 Confirmation/Affirmation /Disconfirmation

The heart of the satisfaction process is the comparison of what was expected, with the products or services performance. Perceived performance may reinforce, exceed or fall short of expectations. Expectations are confirmed when perceived performance meets them, affirmed when perceived performance exceeds them and disconfirmed when perceived performance falls short of them

2.5.4 Consequences

Organizations today are interested in maximizing customer retention and loyalty. Structural mediators include Industry life cycle, nature of competition and channel structure. Each of these structural forces is posited to mediate the level of satisfaction e.g. a customer may be unhappy with a product or service experience, but if there are few or no competitors in the category, the customer is likely to be retained. Similarly a very satisfied customer will continue to buy even though the channel member supplying him is quite inefficient and unpleasant to do business with. This is common in young industries because of the dependence established between producers and customers in new categories

Procedural mediators deal less with structure (hardware) and more with "software" of industry business. A customer who is only moderately satisfied may repurchase in the short run because of a very talented marketing manager who has established and

continues to maintain a good relationship with the customer. Conversely a satisfied customer may be dislodged because of a poor compliant management process

2.6 Demographic factors and Consumer Satisfaction

Demographic segmentation offers a multitude of possibilities for classifying consumers according to easily identifiable personal characteristics. The demographic variable is intended to stand for certain special dimensions of people in terms of how they live their lives and how they may behave differently as consumers.

A special tabulation of the ASCI database produced a fascinating insight into the existence of some demographic mediators and the size of their impact (Bryant and Cha 1996). Significant differences were documented for gender, age, socioeconomic status and the residence. Table 1 below shows how gender and age combine to produce even greater differences in satisfaction ratings than either one individually. Young men tend to be the most difficult to satisfy while women over 55 years are the easiest. Socioeconomic status also affects satisfaction. High socioeconomic customers are less satisfied. It is obvious that the behaviors and feelings of men and women are constantly evolving.

managing complaints (Crosby 1979; Garvin 1988; TARP 1979, 1981).

Increased reputation; an increase in customer satisfaction should also enhance the overall reputation of the firm. An enhanced reputation can aid in introducing new products by providing instant awareness and lowering the buyer's risk of trial (Robertson and Gatignon 1986) Reputation can provide a halo effect for the firm that positively influences customer evaluations, providing insulation from short-term shocks in the environment. Customer satisfaction should play an important role in other important assets for the firm, such as brand equity (Aaker 1992; Keller 1993).

New customers; The cost of attracting new customers should be lower for firms that achieve a high level of customer satisfaction (Fornell 1992) For example; satisfied customers are reputedly more likely to engage in positive word of mouth for the firm. Customers that show up based on referral tend to be better quality customers in terms of profitability and likelihood of being loyal than those attracted through promotions and advertisement campaigns.

2.8 Importance of Customer Satisfaction to the Customer.

Research according to Gwinner, Glemler and Bitter (1998) has uncovered specific types of relationship benefits that customers experience in long term service relationships.

Confidence Benefits

These benefits comprise feelings of trust or confidence in the provider, along with a sense of reduced anxiety and comfort in knowing what to expect. If the service provider knows

the customers preferences and has tailored services to suit their needs over time, then changing providers would mean education by the new provider on all these factors again.

Social Benefits

Customers develop a sense of familiarity and even a social relationship with their service providers. These ties make it less likely that they will switch even if they learn about a competitor that may have better quality or lower price.

2.9 Determinants of Customer Satisfaction Levels

Customer satisfaction levels will not only be influenced by specific product or service features and by perceptions of quality, but satisfaction will also be influenced by customer's emotional responses, their attributions and their perceptions of equity, (Taylor 1978).

Product and service features

Customer satisfaction with a product or a service is influenced significantly by the customer's evaluation of product or service feature. Research has shown that customers of services will make trade off among different service features, (Ostrom and Lacobocci 1995) Example price levels versus quality versus friendliness of personnel versus level of customization, depending on the type of service being evaluated and criticality of the service.

services. They could ask themselves the following questions, have I been treated fairly compared with other customers? Did other customers get better treatment, better prices, or better quality service? (Bitner 1990)

2.10 Strategies for Influencing Customer Perception on Satisfaction

The following according to Zeithmal and Bitner (1996) are the building blocks of customer perceptions of quality and satisfaction. They can also be described as management strategies to be used to influence perceptions of service delivery to enhance customer satisfaction.

Measure and manage customer satisfaction and service quality: A key strategy for customer focused firms to measure and monitor customer satisfaction and service quality.

Such measurements are needed to track trends to diagnose problems and to link to other customers focused strategies. The customer satisfaction measurement could be linked to strategies related to employee training, reward system, internal process metrics, and organizational structure and leadership goals.

Aim for customer quality and satisfaction in every service encounter - Since every service encounter is potentially critical to customer retention, many firms aim for "Zero defects" or 100% satisfaction. To achieve this requires first clear documentation of all the points of contact between the organization and its customers. Secondly, we need to develop understanding of customer expectations for each of those encounters, so that

strategies can be built around meeting those expectations. The following are four themes underlying satisfaction/dissatisfaction in service encounter that suggests specific types of action organizations would aim for zero defects.

Plan for effective recovery- When service customers have been disappointed on the first try, “doing it very right the second time” is essential to maintaining customer loyalty. Thus organizations need recovery systems that allow employees to turn around the failures and leave the customer satisfied.

Facilitate adaptability and flexibility – Customers perceptions or organizations adaptability and flexibility also create feelings of satisfaction or dissatisfaction in service encounters. Such knowledge and willingness to explain can leave a lasting positive impression on customers even when their specific requests could not be met.

Encourage spontaneity – There are things that organizations can do to encourage positive spontaneous behavior and discourage negative behaviors. Through appropriate recruitment and selection procedures companies can hire employees with strong customer service orientation.

Help employees cope with problematic customers – Employees need appropriate coping and problem solving skills to handle difficult customers as well as their own feelings in such situations

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Research design

A descriptive research design will be used. According to Emory and Copper (1994), a descriptive design is used to determine the who, what, when, where, and how of a research topic, which is the focus of this study

3.2 Population

The population of interest comprised all customers of supermarkets in Nairobi. Nairobi was chosen because it has the highest density of well-established supermarkets.

3.3 Sample design

Cluster sampling was done involving clustering residents of Nairobi into three categories namely; upper class, middle class and lower class. Other researchers Kwena, Mulwa and Kisese (2002) have successfully used estates as a sampling frame. A complete list of all the estates in Nairobi was obtained from the economic survey of Kenya (2001). From this list there are 82 estates in Nairobi to date (see appendix 3). There are 15 estates of low-income groups, 54 estates from the middle-income groups and 17 from the high-income groups. From each category, three estates were selected by simple random sampling using random tables to give a total of 9 estates. From these, 15 households were selected.

Where the houses were numbered the first house was selected randomly and then every fifth house was picked, where not numbered, judgmental sampling was used but caution was taken to ensure they were not picked from a concentrated area. This gave a total of 135 respondents.

3.4 Data collection

Primary data was collected through a structured questionnaire (see appendix 2) that was administered by the researcher assisted by two trained assistants. The questionnaire was pre tested before fieldwork commenced to test clarity. It was divided into two parts, namely section A which aimed at obtaining demographic data and section B for obtaining data on the factors that influence customer satisfaction with supermarkets.

3.5 Data analysis

Factor analysis was used to summarize and analyze the responses. This analysis was used to rank the factors in terms of their importance in enhancing customer satisfaction. Proportions/percentages, frequencies and means score were also done using SPSS program.

CHAPTER FOUR

DATA PRESENTATION AND ANALYSIS

4.1 Introduction

This chapter sets out to statistically analyze and present in summary the primary data that was gathered from the respondents of the study. 45 questionnaires were given out to respondents in each of the classes (low, middle and high income as stated in chapter three) that constituted the sample of the study, to make up a total of 135 questionnaires. Out of the 135 questionnaires given out, the researcher was able to get 98 questionnaires back, representing a 73% return rate. The researcher saw this return rate to be satisfactory for the analysis to draw a valid conclusion.

The SPSS (Statistical Package for Social Sciences) computer package was used to analyze the data. Factor analysis was done to meet the first research objective. The analysis served as a data reduction technique that enabled the researcher to screen out the most important factors in enhancing customer satisfaction with supermarkets. This was achieved by the application of the Eigen values in the analysis where factors that had an Eigen value of 1 and above were deemed to be significant in enhancing customer satisfaction. Further the technique helped to see whether the variables had a small number of factors in common that accounted for their inter-correlation. Descriptive statistics were used to analyze the data from part one of the questionnaire. Tables showing the frequencies, percentages and cumulative percentages were used to summarize data.

4.2 Summary of demographic data

This section summarizes the demographic data in tables by using percentages.

Table 1: Respondents by age

Age	Number of respondents	Percentage
20 – 30 yrs	38	38.8%
31 – 40 yrs	38	38.8%
41 – 50 yrs	18	18.4%
51 – 60 yrs	4	4.1%
61 and above	0	0
Total	98	100%

The 20-30yrs and 31-40yrs age brackets had the highest frequencies at 38.8% each. 41-50yrs at 18.4% and 51-60yrs at 4.1% followed this. This means that 76% of the respondents were between the ages of 20 and 40years while there were none who were 61 and above (Table 1).

Table 2: Respondents by Economic level of estate

Level of Estate	Number of respondents	Percentage
High Income	24	24.5%
Middle Income	44	44.9%
Low income	30	30.6%
Total	98	100%

Table 4: Respondents by position in family life cycle

Family status	Number of Respondents	Percentage
Single	26	26.5%
Single Spouse Deceased	8	8.2%
Married with children	60	61.2%
Married with no children	2	2.0%
Separated	2	2.0%
Total	98	100%

Respondents who were married with children constituted 60% of the respondents. The single category was the next highest with 26% of the respondents. Those who were married with no children and those who were separated constituted 2% each of the total respondents. Respondents who were single due to death of spouse made up 8% of the respondents (Table 4).

Table 5: Respondents by gender

Gender	Number of Respondents	Percentage
Female	63	64.3%
Male	35	35.7%
Total	98	100%

From Table 5 above we observe that when respondents were classified according to gender 64% were females and 36% male.

Table 6: Respondents by monthly gross income

Monthly Gross Income	Number of Respondents	Percentage
0	1	1.1%
Below 10,000ksh	15	16.75
10,000ksh – 30,000ksh	24	25.7%
31,000ksh – 50,000ksh	22	22.3%
51,000ksh – 70,000ksh	12	12.2%
71,000ksh – 90,000ksh	8	8.8%
91,000ksh and over	15	15.2%
Total	98	100%

Majority (25.7%) of the respondents were in the 10,000 kshs to 30,000 kshs income group followed by the 30,000 – 50,000kshs income group with 22.3% of the respondents. There was only one respondent who had no income while those who earned between 71,000 – 90,000kshs and 91,000kshs and above constituted 8.8% and 15.2% of the respondents respectively (Table 6).

Table 7: Respondents by marital status

Marital Status	Number of respondents	Percentages
Married	75	77.8%
Single	23	22.2%
Total	98	100%

Out of the 98 respondents 78% were married while 22% were single (Table 7).

Table 8: Respondents categorized by choice of favorite supermarket

Supermarket	Number of Respondents	Percentages
Nakumatt	52	53.1%
Uchumi	27	27.6%
Ukwala	3	3.1%
Tusker	7	7.1%
Woolmatt	1	1.0%
Jack & Jill	1	1.0%
Others	5	5.2%
Total	96	100%
Missing	2	

From Table 8 above we see that 54.2% of respondents listed Nakumatt supermarket as their favorite supermarket followed by Uchumi with 28.1% and Tusker matt with 7.1%. Jack & Jill, Woolmatt and others shared the remaining 11%.

4.3 Summary of descriptive statistics

The opinions of the respondents regarding satisfaction with the services offered by the supermarkets was captured using a 5 point scale and the following scheme on the factor analysis was used to interpret the results

LABEL	RANGE OF MEANS
Very satisfied	1.0 to 1.49
Satisfied	1.50 to 2.49
Neither satisfied nor dissatisfied	2.50 to 3.49
Dissatisfied	3.50 to 4.49
Very dissatisfied	4.50 to 5.0

An alternative 5-point scale used to identify which services offered by supermarkets respondents considered important used the following scheme to interpret the results

LABEL	RANGE OF MEANS
Extremely important	1.0 to 1.49
Very important	1.50 to 2.49
Important	2.50 to 3.49
A little important	3.50 to 4.49
Not important at all	4.50 to 5.0

On the five point scale 1= extremely important or very satisfied while 5= not important at all or very dissatisfied

Table 9: Descriptive statistics on ranking by importance, of various services offered by supermarkets

SERVICE	MEAN	STD. DEVIATION	RANK
Facilities are clean	1.5714	0.7322	1
Convenient operating hours	1.6429	0.7632	2
Ease in finding things	1.7143	0.8373	3
Availability of all types of merchandise	1.8061	1.0119	4
Convenient location	1.8469	1.0586	5
Value for money	1.8571	0.9416	6
Value for money	1.8980	1.1796	7
Employees respond in timely manner	1.9490	0.9236	8
Employee knowledge of products	2.0510	1.0392	9
Technology used is up to date	2.0714	1.0179	10
Employee helpfulness	2.1837	0.9562	11
Courteous and warm employees	2.2551	1.1604	12
Channel for complaints	2.3980	1.2822	13
Number of sales assistants	2.5816	0.9624	14
Availability of parking	2.6122	1.4261	15
Special sales	2.6531	1.1674	16
Willing to exchange goods	2.7653	1.3223	17
Accept credit cards	2.7857	1.4449	18

Table 9 above shows how respondents ranked services provided by supermarkets in terms of importance. The primary purpose of this question was to establish the factors that the respondents considered important when selecting a supermarket. Cleanliness of facilities

with a mean rating of 1.5 tending towards extremely important was the highest ranked factor followed by convenient operating hours, ease in finding things, availability of merchandise and convenient location in that order. Acceptance of credit cards was the service considered least important by the respondents. This may be due to the fact that the culture of using credit cards is still fairly new in Kenya and is only just beginning to take root.

Table 10: Descriptive statistics on satisfaction with the services offered by supermarkets

Service	Mean	Std. Deviation	Rank
Store Layout	1.6735	0.6385	1
Facilities are clean	1.6939	0.6947	2
Convenient operating hours	1.7755	0.6816	3
Ease in finding things	1.8265	0.7183	4
Helpfulness of employees	1.8673	0.5857	5
Convenient location	1.9184	0.7953	6
Technology used is up to date	1.9490	0.7089	7
Employees respond in timely manner	2.0510	0.7374	8
Employee knowledge of products	2.1429	0.7733	9
Value for money	2.1735	0.7736	10
All types of merchandise	2.1939	0.9156	11
Accept credit cards	2.2551	0.8411	12
Courteous and warm employees	2.3265	2.1287	13
Number of sales assistants	2.3571	0.7496	14
Availability of parking	2.3673	0.9238	15
Special sales	2.4490	0.7615	16
Channel for complaints	2.4694	0.7760	17
Willing to exchange goods	2.6122	0.9593	18

Table 10 shows how satisfied customers were with the services offered by supermarkets. With the exception of willingness to exchange goods in which most of the respondents were neither satisfied nor dissatisfied, respondents were satisfied with all the other services offered by the supermarkets. It is important to note that the respondents were not in agreement about how satisfied they were about the attitude of the employees in the supermarket. This is evidenced by the high standard deviation (2.1287) for satisfaction with the “employees being courteous and warm” meaning the respondents were not sure if the employees displayed these qualities.

With a mean ranking of 1.67 store layout ranked top most as what most customers were satisfied with, cleanliness of facilities, convenient operating hours, ease in finding things and helpfulness of employees ranked second to fifth respectively. Having a channel for complaints and the willingness to exchange goods were the lowest ranking in terms of satisfaction with respondents tending towards being neither satisfied nor dissatisfied.

Table 11: Response on overall satisfaction with services offered by supermarkets

Overall satisfaction	Number of Respondents	Percentage
Very satisfied	19	19.4%
Satisfied	71	72.4%
Neither satisfied nor dissatisfied	8	8.2%
Total	98	100%

Those who were very satisfied formed 19 % of the total respondents followed by 71% who were satisfied and 8% who were neither satisfied nor dissatisfied. This means that 90% of the respondents were satisfied with the services offered by the supermarkets (Table 11).

4.4 Influence of demographic factors on satisfaction

Table 12: Influence of age on overall satisfaction

Age	Mean	Std. Deviation
20 – 30yrs	1.9211	0.4867
31 – 40yrs	1.9313	0.4067
41 – 50yrs	1.6667	0.5941
51 – 60yrs	2.2500	0.5000
61 and over	0.0	0.0
Total	1.8878	0.5154

From Table 12 above we see that those respondents in the 41 – 50yrs age group had the lowest mean that tended towards being very satisfied while the 51 – 60yrs age group had the highest mean tending towards being neither satisfied nor dissatisfied.

Table 13: Influence of economic level of estate on overall satisfaction

Economic level of estate	Mean	Std. Deviation
High Income	1.8750	0.4484
Middle Income	1.8182	0.4952
Low income	2.0000	0.5872
Total	1.8878	0.5154

Table 13 shows that there was not much discernable difference in the satisfaction of respondents from estates of different economic levels as they all tended to be satisfied with the services offered although the low income group had a slightly higher mean than the other two categories.

Table 14: Influence of gender on overall satisfaction

Gender	Mean	Std. Deviation
Male	1.9429	0.4161
Female	1.8571	0.5639
Total	1.8878	0.5154

Both the male and female respondents were satisfied with the services offered by supermarkets with the females having a slightly lower mean that tended towards being very satisfied (Table 14).

Table 15: Influence of monthly gross income on overall satisfaction

Monthly gross income	Mean	Std. Deviation
00	2.0000	0
Below 10,000kshs	2.2000	0.5606
10,000ksh – 30,000ksh	1.7083	0.6241
30,000ksh – 50,000ksh	1.8182	0.3948
50,000ksh – 70,000ksh	2.0000	0.4264
70,000ksh – 90,000ksh	2.0000	0.5345
90,000ksh and over	1.8000	0.4140
Total	1.8866	0.5179

The respondents in the 10,000ksh to 30,000kshs income group had the lowest mean tending towards very satisfied while those in the below 10,000kshs income group had the highest mean that tended towards being neither satisfied nor dissatisfied (Table15).

Table 16: Influence of marital status on overall satisfaction

Marital status	Mean	Std. Deviation
Married	1.8800	0.5443
Single	1.9130	0.4170
Total	1.8878	0.5154

From the Table 16 above we see that the married respondents tended to be more satisfied than those respondents who were single.

Table 17: Influence of Level of education on overall satisfaction

Level of education	Mean	Std. Deviation
Primary	1.7500	0.5000
High school	2.2000	0.4216
College	1.7647	0.6060
University	1.9200	0.4445
Total	1.8878	0.5154

The respondents who had only primary level education were the most satisfied followed by those with college level education. Those with only high school were neither satisfied nor dissatisfied (Table 17).

4.6 Factor Analysis

This section sets out to undertake thorough statistical analysis of the collected data to meet research objectives. First the communalities between the selected variables were sought then a correlation matrix was created to show the correlation coefficients between any two variables. These variables were then factored out using the principal component analysis method; this sought to combine two or more correlated variables into one factor. The Kaiser Normalization criteria of selecting variables that had an Eigen value of greater than 1 was employed in the analysis Table 3 (a).

Table 18: Communalities

Communalities		
	Initial	Extraction
helpfulness of employees	1.000	.609
willing to exchange goods	1.000	.688
accept credit cards	1.000	.779
value for money	1.000	.816
special sales	1.000	.699
convenient location	1.000	.664
technology used is upto date	1.000	.651
convenient operating hours	1.000	.716
employee knowlege of the products	1.000	.779
channel for complaints	1.000	.733
number of sales assistants	1.000	.542
courteous and warm employees	1.000	.752
employees respond in a timely manner	1.000	.663
store layout	1.000	.738
ease in finding things	1.000	.733
facilities are clean	1.000	.662
availability of parking	1.000	.400
avallibility of all types of merchandise	1.000	.677

Extraction Method: Principal Component Analysis.

Communalities represent the proportion of variance of a particular item that is due to common factors or that is shared with other items. Value for money has 81.6% shared relationship with the other factors being the variable with the greatest communality.

Availability of parking had the least 40% communality with the other variables (Table 18).

Table 19: Correlation matrix

Correlation Matrix

	helpfulness of employees	willing to exchange goods	accept credit cards	value for money	special sales	convenient location	technology used is upto date	convenient operating hours	employee knowledge of the products	channel for complaints	number of sales assistants	courteous and warm employees	employees respond in a timely manner	store layout	ease in finding things	facilities are clean	availability of parking	availability of all types of merchandise
Correlation	1.000	.330	.237	.233	.135	-.309	.257	.209	.475	.433	.391	.184	.565	.131	.141	.254	.072	.125
helpfulness of employees		1.000	.228	.050	.170	-.242	.228	.118	.242	.635	.324	.275	.320	.246	.260	.222	.197	.333
willing to exchange goods	.330		1.000	.375	.208	.186	.472	.283	-.067	.273	.132	.183	.112	.291	.279	.435	.157	.216
accept credit cards	.237	.228		1.000	.514	-.061	.279	.261	.268	.224	.105	.141	.183	.178	.277	.081	.213	.156
value for money	.233	.050	.375		1.000	.081	.167	.067	.328	.355	.204	-.034	.216	.071	.200	-.010	.027	.061
special sales	.135	.170	.208	.514		1.000	.368	.346	.304	.280	.292	.144	.394	.251	.210	.218	-.029	-.021
convenient location	-.309	-.242	-.186	-.061	.081		1.000	.831	.277	.325	.209	.134	.399	.487	.428	.449	.171	.301
technology used is upto date	.257	.228	.472	.279	.167	.368		1.000	.831	.325	.209	.134	.399	.487	.428	.449	.171	.301
convenient operating hours	.209	.118	.283	.261	.067	.346	.831		1.000	.104	.179	.264	.269	.398	.383	.289	-.048	.203
employee knowledge of the products	.475	.242	-.067	.268	.328	.304	.277	.394		1.000	.368	.427	.511	.283	.305	.140	.128	.310
channel for complaints	.433	.635	.273	.224	.365	.280	.325	.104	.368		1.000	.294	.462	.313	.351	.365	.203	.219
number of sales assistants	.391	.324	.132	.105	.204	.292	.209	.179	.427	.294		1.000	.321	.180	.231	.153	.047	.349
courteous and warm employees	.184	.275	.183	.141	-.034	.144	.134	.264	.078	.225	.217		1.000	.180	.284	.226	.138	.084
employees respond in a timely manner	.565	.320	.112	.183	.216	.394	.399	.269	.511	.462	.321	.180		1.000	.408	.426	.333	.083
store layout	.131	.246	.291	.178	.071	.251	.487	.398	.283	.313	.160	.284	.408		1.000	.729	.539	.101
ease in finding things	.141	.260	.279	.277	.200	.210	.428	.383	.305	.351	.231	.226	.426	.729		1.000	.450	.144
facilities are clean	.254	.222	.435	.081	-.010	.216	.449	.289	.140	.365	.153	.138	.333	.539	.450		1.000	.129
availability of parking	.072	.197	.157	.213	.027	-.029	.171	-.048	.128	.203	.047	.084	.083	.101	.144	.129		1.000
availability of all types of merchandise	.125	.333	.216	.156	.061	-.021	.301	.203	.310	.219	.349	.216	.245	.356	.459	.337	.183	

■ Determinant = 6.839E-04

The correlation matrix presented above is useful in examining the interrelationship between the variables of concern. Store layout and ease in finding things are very highly correlated having a correlation coefficient of 0.729. Willingness to exchange goods and having a channel for complaints was also highly correlated at 6.635

Helpfulness of employees, employees responding in a timely manner and employee knowledge of products were also highly correlated at 0.565, 0.511 and 0.475 respectively (Table19).

Table 20: Explanation of variance

Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	5.454	30.300	30.300	5.454	30.300	30.300	3.153	17.516	17.516
2	1.765	9.805	40.105	1.765	9.805	40.105	3.041	16.894	34.410
3	1.538	8.547	48.652	1.538	8.547	48.652	1.809	10.052	44.462
4	1.356	7.531	56.183	1.356	7.531	56.183	1.482	8.233	52.695
5	1.167	6.484	62.666	1.167	6.484	62.666	1.448	8.044	60.739
6	1.010	5.612	68.279	1.010	5.612	68.279	1.357	7.539	68.279
7	.915	5.083	73.362						
8	.833	4.630	77.992						
9	.769	4.274	82.266						
10	.616	3.420	85.685						
11	.475	2.636	88.322						
12	.416	2.310	90.631						
13	.403	2.237	92.868						
14	.305	1.693	94.561						
15	.300	1.668	96.229						
16	.270	1.498	97.727						
17	.236	1.313	99.040						
18	.173	.980	100.000						

Extraction Method: Principal Component Analysis.

In using the Kaiser Normalization criterion, we extracted components that have an eigen value greater than 1 using this analysis the researcher was able to extract six major components, As indicated above variable 1,2,3,4,5,6, accounted for 30.3, 9.8, 8.5, 7.5, 6.4 and 5.6% of the total variance respectively accounting for a total of 68.28% of the total variance (Table 20).

Table 21: Rotated component matrix**Rotated Component Matrix ^a**

	Component					
	1	2	3	4	5	6
helpfulness of employees		.741				
willing to exchange goods				.552		
accept credit cards					.768	
value for money			.859			
special sales			.782			
convenient location		.670				
technology used is upto date	.585					
convenient operating hours	.508			-.501		
employee knowlede of the products		.614				
channel for complaints		.606		.521		
number of sales assistants		.519				
courteous and warm employees						.835
employees respond in a timely manner		.702				
store layout	.834					
ease in finding things	.815					
facilities are clean	.639					
availability of parking				.586		
avallability of all types of merchandise	.577					

Extraction Method: Principal Component Analysis.
 Rotation Method: Varimax with Kaiser Normalization.

a. Rotation converged in 10 iterations.

On rotating the components using the varimax (variance maximization) method the researcher came up with the above rotated component matrix. From this matrix the

researcher was able to discern what variables fall under what factor among the six extracted factors. The variable is said to belong to the factor which it explains most of the variation than any other factor. For example variable 1, helpfulness of employees belongs to factor 2 because it explains 74.1% of the total variability in factor2. Variable 2 willing to exchange goods falls under factor 4 since it explains 55.2% of the variability in that factor. The table below summarizes the extracted factors and their constituent variables (Table 21).

Table 21: Extracted factors**Component** **Constituent variables**

Component	Constituent variables
Component 1	<ul style="list-style-type: none">- Technology used is up to date- Convenient operating hours- Store layout- Ease in finding things- Facilities are clean- Availability of all types of merchandise
Component 2	<ul style="list-style-type: none">- Helpfulness of employees- Convenient location- Employee knowledge of products- Channel for complaints- Number of sales assistants- Employees respond in a timely manner
Component 3	<ul style="list-style-type: none">- Value for money- Special sales
Component 4	<ul style="list-style-type: none">- Willing to exchange goods- Channel for complaints- Availability of parking
Component 5	<ul style="list-style-type: none">- Accept credit cards
Component 6	<ul style="list-style-type: none">- Courteous and warm employees

From the factor analysis the researcher was able to extract six factors, which were labeled

Component 1	Store environment and convenience
Component 2	Customer service
Component 3	Merchandise value/ pricing
Component 4	Management services
Component 5	Credit facilities
Component 6	Friendly staff

Component 1 and 2 absorbed most of the variables and are therefore the most important factors in determining satisfaction with supermarkets.

CHAPTER FIVE

SUMMARY, DISCUSSION AND CONCLUSIONS

5.1 Discussion and Conclusions

The first objective sought to find out if customers were satisfied with the services offered by supermarkets and the factors that determined satisfaction. Overall, customers were satisfied with the services offered by supermarkets 19 % were very satisfied while 71 % were satisfied.

The customers were satisfied with the store layout, cleanliness of facilities, convenient operating hours and ease in finding things, which were the four top ranked factors. The high satisfaction with store layout shows that having large aisles that ease movement and organized arrangement of products, makes it easy for customers to find items and enhances the shopping experience. Helpfulness of employees also increases satisfaction because where the customer is not able to find an item on their own they can get help from the staff.

Surprisingly having knowledgeable staff did not rank high enough in terms of satisfaction. This could mean that though helpful, the employees were not able to offer in-depth information on products when required to do so. Cleanliness of facilities is one of the factors that ranked highly both in being considered as an important service provided by supermarkets and in satisfaction. This means that supermarkets are putting some effort in ensuring their facilities, which include the shopping area, parking, and restrooms are clean.

Convenient operating hours also ranked highly both in terms of being an important part of the services offered and in terms of satisfaction. In the recent past supermarkets

changed their closing time from 6.00p.m to 8.00 p.m. or 8.30 p.m. This made it easier for customers to shop after office hours on their way home rather than rush from the office to beat the deadline as before.

Convenient locations and availability of merchandise were ranked highly as important factors to consider when choosing a store but did not rank highly in terms of satisfaction. Since they will contribute to the overall satisfaction with the supermarkets services, supermarkets have to ensure that these factors are given a lot of attention. It is important to have a convenient location that is also secure so that even when open late, customers feel safe enough to shop.

Availability of a variety of merchandise is important in terms of retaining customers because they are able to find everything they want under one roof. Lack of merchandise was the response given by the respondents to explain why they shopped in different supermarkets. This study also found that parking did not rank highly (15 out of 18) both as a service considered important and in terms of satisfaction. This contradicts the findings of the study done by Oliver (1981) and could be partly explained by the fact that majority of the people who patronize supermarkets in Nairobi may not have cars and rely on public means of transport so parking is not considered an issue.

Those supermarkets located outside the city center so far have what may be considered to be adequate parking though this is bound to change later with an increase of car owners and preference for shopping malls and supermarkets that are outside the city center.

From observations most supermarkets do not have a strong complaints channel in place and they do not readily act on complaints by customers especially when it comes to faulty

goods. This is an area that the customers consider important in selecting a supermarket and are particularly not happy about. Supermarkets need to pay attention to development of customer care centers that handle complaints and other queries that customers have.

The second objective was to find out demographic factors attached to factors that influence customer satisfaction. When looking at marital status and satisfaction we see that whereas both single and married people were satisfied with having supermarkets in a convenient location, the single respondents were not in agreement (evidenced by the high standard deviation observed) about whether they were satisfied with this or not.

The same thing was observed in satisfaction with availability of parking.

Marital status, gender and income levels were the three demographic factors that were found to influence level of satisfaction. Respondents who were married and those who were female tended to be more satisfied than the respondents in the other categories.

These findings were consistent with those by Bryant and Cha (1996) who found that women over the age of 55 were much more easily satisfied than young men.

Supermarkets therefore need to focus on how to increase satisfaction ratings for their male customers and those who are single.

From the foregoing discussion, the following conclusions may be drawn regarding customer satisfaction with supermarkets in Nairobi and the factors that contribute to it.

The study revealed that customers of supermarkets in Nairobi are satisfied with the services they are offered. Specifically, maintaining a clean facility in a convenient location coupled with convenient operating hours is a sure way of ensuring that you have

a steady flow of customers, but one must ensure that there is availability of a variety of merchandise to encourage repeated patronage.

5.2 Recommendations

Current sector trends of increased competition, enhanced retailer ability to analyze markets and greater shopper expectations make satisfying customers critical. After an unsatisfactory experience in a supermarket, the customers' decision to shift stores might follow almost immediately. Supermarkets should carry out regular customer satisfaction surveys that will enable them to know whether they are satisfying the customers in those areas that the customers consider as most important. The information from the surveys should be used by management to allocate their resources appropriately, build customer loyalty and sales growth.

5.3 Limitations of the study

The major limitation of this study was the high non-response rate in the low and high-income estates. Only 24 (out of an expected 45 respondents) in the high income and 30 in the low-income estates responded. The study therefore may not be generalized to this population.

Majority of the people in the low-income group did not shop in supermarkets and thus were unable to participate. For the high-income people it was difficult to get access to them in their homes.

Time was also a major constraint because it limited the ability of the researcher to reach out to a larger number of respondents and data in the study was collected at one point in time, which could have biased the results.

5.4 Suggestions for Further Research.

This study would probably have yielded different results if the data were collected outside the supermarkets immediately after the shopping experience. This is an area other researchers might like to explore. Research could also be done to see if the results would be different if the study was done comparing two supermarket chains like Uchumi and Nakumatt for example to see if customers for both supermarkets are equally satisfied,

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Appendix 1: INTRODUCTORY LETTER TO RESPONDENTS

UNIVERSITY OF NAIROBI
FACULTY OF COMMERCE
MBA PROGRAM-LOWER KABETE CAMPUS

TELEPHONE: 732160Ext 208
Telegrams: "varsity", Nairobi
Telex: 22095 Varsity

P.O. Box 30197
Nairobi, Kenya

10TH NOVEMBER 2004

Dear respondent,

I am a postgraduate student at the above university doing a research project as part of the requirements of the degree of Master of Business Administration. I am doing the research on "The Determinants of Customer Satisfaction in Supermarkets in Nairobi". I request you to assist me by filling the attached questionnaire to the best of your ability and knowledge.

I assure you that the information you provide will solely be used for academic purposes.

Thank you for your cooperation

Yours sincerely

Doris Imbuga
MBA Student

Dr. M. Ogutu
Supervisor
Department of Business Admin
Faculty of Commerce
University of Nairobi

Questionnaire

SECTION A

1. In which of the following age brackets do you fall? (Tick where appropriate)

20-30 () 31-40 () 41-50 () 51-60 () 61 and over ()

2. What is your level of education?

Primary () High school () College () University ()

Other specify-----

4. Please indicate your gender.

Male () Female ()

5. What is your marital status?

Married () Single ()

6. What is your Profession? -----

7. What is your monthly gross income?

Below 10,000Kshs () 10,000Kshs – 30,000Kshs ()

30,000Kshs – 50,000Kshs () 50,000Kshs – 70,000Kshs ()

70,000Kshs – 90,000Kshs () 90,000Kshs and over ()

8. In which of these categories do you fall? (Tick appropriately)

Single () Married with no children () Married with children ()

Separated () Single (spouse deceased) ()

SECTION B

1. Which is your most favorite supermarket? -----

2. How frequently do you do your shopping in your most favorite supermarket?

Very frequently () Frequently () Occasionally () Rarely () Not at all ()

3. Do you do your shopping in other supermarkets apart from this one?

Yes ()

No ()

If Yes why? Specify-----

If No why? Specify-----

4. Rank in order of favorableness five supermarkets beginning with the most favorable to the least favorable.

Rank1. -----

Rank2. -----

Rank3. -----

Rank4. -----

Rank5. -----

4. Please indicate how important the following services offered by your supermarket are to you.

	Extremely Important	Very Important	Important	A little Important	Not Important at all
Helpfulness of employees	()	()	()	()	()
Number of Sales assistants	()	()	()	()	()
Courteous and warm Employees	()	()	()	()	()
Employees respond in timely manner	()	()	()	()	()
Store Layout (able to move around freely)	()	()	()	()	()
Ease in finding things	()	()	()	()	()
Facilities are clean	()	()	()	()	()
Availability of parking	()	()	()	()	()
Availability of all types of merchandise	()	()	()	()	()
Willing to exchange goods	()	()	()	()	()
Accept Credit cards	()	()	()	()	()
Value for money	()	()	()	()	()
Special discount sales	()	()	()	()	()
Convenient location	()	()	()	()	()
Technology used is up to date	()	()	()	()	()
Convenient operating hours	()	()	()	()	()
Employee knowledge of	()	()	()	()	()

the products

Channel for complaints () () () () ()

5. Please indicate how satisfied you are with the following services offered by your most favorite supermarket

	Very Satisfied	Satisfied	Neither Satisfied nor Dissatisfied	Dissatisfied	Very Dissatisfied
Helpfulness of employees	()	()	()	()	()
Number of Sales assistants	()	()	()	()	()
Courteous and warm Employees	()	()	()	()	()
Employees respond in timely manner	()	()	()	()	()
Store Layout (able to move Around freely)	()	()	()	()	()
Ease in finding things	()	()	()	()	()
Facilities are clean	()	()	()	()	()
Availability of parking	()	()	()	()	()
Availability of all types of merchandise	()	()	()	()	()
Willing to exchange goods	()	()	()	()	()
Accept Credit cards	()	()	()	()	()
Value for money	()	()	()	()	()
Special discount sales	()	()	()	()	()

Convenient location	()	()	()	()	()
Technology used is up to date	()	()	()	()	()
Convenient operating hours	()	()	()	()	()
Employee knowledge of the products	()	()	()	()	()
Channel for complaints	()	()	()	()	()

6. Overall how satisfied have you been with the services offered by this supermarket.

Very satisfied () Satisfied () Neither Satisfied nor Dissatisfied ()
Dissatisfied () Very Dissatisfied ()

Thank you for your cooperation

APPENDIX 3

A list of Nairobi Estates

A) Upper income groups

1. Runda
2. Muthaiga
3. Lavington
4. Kitisuru
5. Loresho
6. Spring valley
7. Westlands (Residential)
8. Karen
9. Kileleshwa
10. Highridge (Parklands)
11. Hurlingham
12. Rosslyn lone tree
13. Hardy
14. Kyuna
15. Langata (Bomas)
16. Muthangari
17. Kilimani

B) Middle income groups

1. Airport view
2. Akiba (langata)
3. Akiba (south C)
4. Ayany
5. Buru Buru Phase 1,2,3 & 4
6. Donholm
7. Embakasi Highrise
8. Golden Gate
9. Golf Course
10. Highway Phase 1&2
11. Highview
12. Imara Daima
13. Jamhuri
14. Kariobangi Civil Servants
15. Kariokor
16. Kibera Highrise
17. Komarock Infill A & B
18. Komarock Phases 1,2 3
19. Langata Civil Servants
20. Maasai
21. Madaraka
22. Magiwa
23. Mvuli Avenues
24. Nairobi West
25. Pumwani (California)
26. Mariakani
27. Ngara
28. Ngei Phases 1&2
29. Ngumo
30. NSSF Complex (Sololo/Hazina)
31. Onyonka
32. Otiende
33. Outer Ring

34. Pangani
35. Parkview
36. Pioneer
37. Plainsview
38. Pumwani Highrise
39. Reality (Nairobi South C)
40. River Bank
41. Rubia
42. Saika
43. Savannah
44. Southlands Phase 1&2
45. SunView
46. Tena
47. Thika Road Site
48. Thome
49. Ufunguo
50. Uhuru Gardens
51. Ushirika
52. Villa Franca
53. Woodley (Joseph Kangethe)
54. Zimmerman

C) Low income groups

1. Dandora
2. Githurai Njatha-ini (Ngomongo)
3. Kahawa west (Kongo, Maili-kumi, Soweto)
4. Karen (Kuwinda Village)
5. Karen (Gatina)
6. Kibera (Line Saba& Nane, Olympic, Dam, Karanja Rd, Ondongo)
7. Kawangware (46, Gatina, Gataka, Mutui-ini)
8. Kaangemi (Gichagi, Gatina)
9. Mathare Valley
10. Muthurwa
11. Mukuru-Kwa Njenga
12. Mukuru- Kaiyaba
13. Majengo 1&2
14. Njiru (Ura, Sewage, Mabati)
15. Thome (Maruri)

Source: Economic Survey of Kenya 2001