Research Article

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Purchasing fruits at retail store: Assessing customer satisfaction

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Abstract

This study examines the fruit purchasing elements that may influence the level of customer satisfaction namely environment, service employee, fruit freshness, product assortment, and price elements. Data was collected from 160 customers of Money Back Guarantee Fruit Shop (MBG Fruit Shop) at four selected outlets namely IOI City Mall, NU Central, Tropicana Mall, and Jaya 33. In obtaining the required information, self-administered close-ended questionnaires were distributed to the respondents. Frequency analysis and descriptive analysis were used to generate the results. From the response, it was found that the key determinants of customer satisfaction are fruit freshness, followed by the assortment of products. Additionally, among all attributes in this study, the customers' acceptance level on employee friendliness under the employee service element had the lowest score. The results from this study will be useful to fruit business owners in deciding whether there is a need for further investment of resources and improving the quality of services, which would increase the level of customer satisfaction.

Keywords:

Food retail, fruit shop, fruit purchasing determinants, customers satisfaction

1   Introduction

Specialty grocery store refers to a store that sells specific food category or selling special type of food products (Huddleston et al., 2009). The development of several types of retail format is important to satisfy the ever-changing customers' needs and wants. Customer satisfaction, therefore, is one of the best indicators to measure the ability of the businesses in providing good services and products to their customers. According to Hoovers (2008), customers of specialty grocery store are willing to pay the product at premium prices (Huddleston et al., 2009). In this study, customer satisfaction towards fruits retailing specialty store has been explored and the researchers have analyzed five elements of fruits purchasing determinants in MBG Fruit Shop; the research setting. The five elements namely environment, service employee, fruit freshness, assortment and price have been adapted from studies conducted by Calvo-Porral and Levy-Mangin (2016) and Sabir (2016) and they will be discussed in the literature review section.

2   Problem Statement

Report made by Institute of Food Technologists' Expert Panel on Food Safety and Nutrition and the Committee on Public Information: Shelf life of foods (1975) noted that fresh fruits and vegetables have different level of deterioration between harvesting and consumption period. Therefore, in providing customers with premium quality of fresh fruits, retailers must ensure that they are supplied with high quality products and are able to maintain the quality during the selling process. Generally, there are two types of store namely traditional market and modern retail market (Chamhuri & Batt, 2013). However, customers tend to believe that fresh fruits can only be found in traditional market as the fruits are fresher since they are collected and delivered directly by farmers as compared to modern retail stores. According to Chamhuri and Batt (2009) as cited in Gindi et al. (2016), customers also think that fruits offered in modern retail stores may have been stored longer in the shops after the harvesting period. Therefore, it is important for fruit retailers to understand their customers to satisfy their expectations. They may face serious issues in managing their sales and profitability if they fail to address this matter. This study hopes to give better insight on customers' perspectives to gain better satisfaction thus leads to a profitable business.

3   Literature Review

3.1 Food retailing

Food retailing refers to the activities where food retail business makes transactions with customers for money or profits and it involves all retail businesses including food and beverage (Mohan, 2013; USDA Foreign Agricultural Service, 2016; Shamsudin & Selamat, 2005). Food retail has evolved throughout the years due to the globalization

and tremendous growth of retail sectors. According to USDA Foreign Agricultural Service (2016) food retail sectors have significant influence on economic growth of most countries. The number of person engaged in the segment was also increased. It is worth highlighting that half of the total population in Malaysia hold high purchasing power and they tend to consume variety of imported food and beverages and that is the one of the main reasons for the increases of entrance of both local and imported food into the country.

3.2 Fruits purchasing determinants

The researchers have decided to adopt five basic fruit purchasing determinants which can affect customers' purchasing decision namely environment, service staff, fruit freshness, assortment, and price; as suggested by Calvo-Porral and Levy-Mangin (2016). Phuc and Lukoma (2011) focused on nine dimensions that retailers can use to gain satisfaction of their customers. The nine dimensions involve location, additional services, product quality, service quality, facilities, reliability, process, value for money, staff, and personnel service. Nevertheless, most of the dimensions have been redefined by Calvo-Porral and Levy-Mangin (2016) and recategorized under only five dimensions to provide more simplicity and accuracy to the measurement.

3.2.1 Environment

Great environment around the shop plays a great role in providing customer satisfaction as well as repeat patronization. Based on the findings by Duong (2016), there is a positive relationship between store environment and customer satisfaction. Environment refers to the physical criteria inside the shop, cleanliness, accessibility, design, layout and navigation that will assist customers while shopping. The combination of these points at once will provide a positive feeling in customer, which will eventually lead to satisfaction as well as repeat patronization and repurchase intention. This supported study by Kotler (1973) and Hussain and Ali (2015) who stated that the store atmosphere does influence the customers' purchasing decision and intention.

3.2.2 Service employee

Store service has a strong positive impact on customer satisfaction towards specialty retail stores (Calvo-Porral & Levy Mangin, 2016; Huddleston et al., 2009). According to Calvo-Porral and Levy Mangin (2016), customers of specialty retail store usually need help from the staff to guide them in purchasing a product. Hence, it is crucial for staffs to have ample knowledge about their range of products in the store so that they are able to give the best assistance to their customers. Phuc and Lukoma (2011) stated that friendly, helpful, knowledgeable, and responsive staffs are important as they work at the frontline and perform a direct interaction with customers. Their behavior will directly affect customers' perception on the quality of service hence will affect customer satisfaction (Phuc & Lukoma, 2011).

3.2.3 Fruit freshness

Most customers associate the term freshness with foods. Fruit freshness can be described as the ability of fruits to retain their properties in terms of appearance, taste, texture, and odor as when it was first being harvested (Peneau et al., 2009). Chamhuri (2011) in a study noted that fresh foods have the right taste, texture as well as being nutritious. Therefore, to retain the freshness of fruits, various options of special care must be applied. Otherwise, the quality of the fruits will be declined thus cannot be kept longer in the shelves.

3.2.4 Assortment

Assortment of products in retail store is as decisive as the other determinants. When customers shop at a retail premise, they expect to find every product they need under one roof. As stated in Calvo-Porral and Levy-Mangin (2016), customers prefer to purchase at store that offer huge assortment and any reduction in assortment size will lead to reduction in number of customers. According to Chernev (2011), there is a significant the impact of product assortment on customers' behavior. In specialty retail store, customers expect to find a specific food category in that store. MBG Fruit Shop, as it name implies, sells fruits but to enhance the customer satisfaction, they must be able to offer wide range of fruits to their customers.

3.2.5 Price

Customers always look at the price before purchasing and most of the times, they use price to predict the quality of the product that they are going to purchase. According to Grewal, Roggeveen and Nordfält (2014), retailers always use different pricing techniques in identifying the best technique that leads to better sales. However, price may also change due to several factors such as seasonal factor and competitors. Marketing strategies such as discount and sales promotion can give numerous advantages towards retailer (Ali, Bazin & Shamsuddin, 2015) as it helps to increase sales, hasten purchases, and attract new customers.

3.3 Customer satisfaction

Customer satisfaction issue has been discussed in many previous studies especially on how to perceive and retain it in different kinds of businesses. Based on a study done by Huddleston et al. (2009), regardless of the types of store, customer satisfaction is commonly influenced by the attributes such as price, products, place, and promotion. Customer satisfaction can be a good indicator to customers' trust. It is said that satisfied customers are willing to take the risk to purchase from the retailer again due to their positive experiences from previous transactions (Rampl et al., 2012).

4   Methodology

4.1 Research design

Descriptive research design had been used for this research, where it provides wider description on the characteristics in the current phenomenon namely customer satisfaction. Through this research design, the researchers were able to discover and gain more inputs as well as understanding the theory of market acceptability for a certain demographics and behaviors of customers on the related area of study (Kumar, Abdul Talib & Ramayah, 2013).

4.2 Data collection procedure

Primary data has been obtained in accordance to the research design used. The methods suited the researchers' intention to obtain first-hand data in achieving the objectives of this study. It is also to ensure that the data gained are parallel with the customers' purchasing behaviors within the present population. Therefore, a number of customers have been approached to measure their satisfaction level. Each customer was approached face-to-face by the researchers to answer a set of closed-ended questionnaire. In average, each customer spent 15-20 minutes to complete the questionnaire.

4.3 Sample

The targeted population was customers of MBG Fruit Shop. MBG Fruit Shop is owned by a successful Malaysian businessman, Mr. Adnan Lee. MBG Fruit Shop is a chain operated company and currently, they have 35 outlets in many shopping malls in Kuala Lumpur and Selangor. They offer various form of fruit products ranging from fruit basket, fruit gift pack, cut fruit, fresh fruit juices, fruits ice-cream and many more. The outlets involved are located in NU Central, Jaya 33 Petaling Jaya, IOI City Mall Putrajaya and Tropicana City Mall. Then, self-administered closed-ended questionnaires were distributed at the aforementioned MBG Fruit Shop outlets. The respondents of the survey were the customers of MBG Fruit Shop who have completed their purchases at the store. A total of 160 respondents have been approached at all four (4) outlets.

4.4 Research instrument

Self-administered closed-ended questionnaire has been used in this study as the instrument to gather the first-hand data from the respondents. The questionnaire was adapted from previous studies by Chamhuri and Batt (2015), Liang and Zhang (2009), Othman (2007), Ng (2005), Priporas (2002). Tabulation of data has been made based on mean, minimum, maximum, and mode of each section in the questionnaires. The mode shows the frequently observed rate of a variables answered by the respondents. Under the modes, the data are presented based on respondents' answer using 5-point likert scale: The scales are totally unacceptable (1), unacceptable (2), slightly acceptable (3), acceptable (4), and totally acceptable (5).

5   Findings

The analysis on the demographic profile in Table 1 shows that female respondents outnumbered the male respondents with 104 representatives.

Table 1: Demographic characteristics of respondents

Characteristics	Frequency (N)	Percentage (%)
Gender		
Female	104	65.0
Male	56	35.0
TOTAL	160	100.0
Age		
20 – 24	30	18.8
25 – 29	40	25.0
30 – 34	34	21.3
35 – 39	22	13.8
40 – 44	19	11.9
45 and above	15	9.4
TOTAL	160	100.0
Race		
Malay	80	50
Chinese	57	35.6
Indian	22	13.8
Others	1	0.6
TOTAL	160	100.0
Education level		
Secondary school	42	26.3
Diploma	56	35.0
Bachelor	52	32.5
Others	10	6.3
TOTAL	160	100.0
Income level		
1000 – 2000	60	37.5
2001 – 3000	58	36.3
3001 – 4000	23	14.4
More than 4000	19	11.9
TOTAL	160	100.0
On average, how much do you spend per visit at MBG Fruit Shop (RM)?		
Below 10	62	38.8
11 – 15	60	37.5
16 – 20	24	15.0
More than 20	14	8.8
TOTAL	160	100.0

Frequency of purchasing fruits at MBG Fruit Shop per week		
Once	99	61.9
2 – 3 times	55	34.4
4 – 5 times	4	2.5
More than 5 times	2	1.3
TOTAL	160	100.0

Majority of the respondents have bachelor degree and diploma as their highest level of education, while the rest of them have secondary school and other levels of education. Researchers believe that education plays an important role i.e. the higher the education level of a customer the higher the awareness to consume fruits as one of healthy food sources. The results also show that most respondents spent below RM 10 and between RM 11 - RM 15 on fruits per visit. More than half of the respondents indicate that they only visit MBG Fruit Shop once per week.

Table 2: Mean scores on environment element of MBG fruit shop

Section B: Environment Element of MBG Fruit Shop	N	Minimum	Maximum	Mean	Std. Deviation
EE: Store accessibility	160	3.00	5.00	3.98	.5878
EE: Good store design and layout	160	2.00	5.00	3.87	.6356
EE: Cleanliness of MBG Fruit Shop	160	2.00	5.00	3.98	.6088
EE: Sufficient signage to location of the shop	160	1.00	5.00	3.71	.6596
Valid N (listwise)	160				

The attributes in environment element of MBG Fruit Shop namely store accessibility, design and layout, cleanliness, and sufficient signage to location have been analyzed. Table 2 shows that all attributes are acceptable by MBG Fruit Shop's customers. However, among all attributes, signage to location has the lowest rate given by the respondents. As a result, the management of MBG Fruit Shop should properly discuss with the mall's management requesting for more signages that are visible for their customers. In relation to other elements, the result shows that MBG Fruit Shop's management have successfully managed their outlets through a good design as well as their stores' cleanliness.

Table 3: Mean scores on service employee element

Section C: Service Employee Element	N	Minimum	Maximum	Mean	Std. Deviation
SEE: Employee friendliness	160	1.00	5.00	3.66	.6147
SEE: Employee politeness	160	2.00	5.00	3.74	.5662
SEE: Employee efficiency	160	2.00	5.00	3.79	.5651
SEE: Employee appearance	160	2.00	5.00	3.82	.5479
Valid N (listwise)	160				

The analysis on the attributes under service employee element shows that all attributes are acceptable by MBG Fruit Shop's customers. The acceptance towards employee appearance is supported by neat, clean, and uniformity in employees' attires. Overall, MBG Fruit Shop staffs provide a quality service to their customers since all the behavioural related attributes such as friendliness, politeness, and efficiency are considered acceptable (above M = 3.5) by the respondents.

Table 4: Mean scores on fruit freshness element

Section D: Fruit Freshness Element	N	Minimum	Maximum	Mean	Std. Deviation
FFE: Appearance of fruit	160	3.00	5.00	4.24	.5465
FFE: Texture of fruit	160	3.00	5.00	4.19	.5319
FFE: Taste of fruit	160	2.00	5.00	4.21	.6049
FFE: Size of fruit	160	2.00	5.00	4.06	.6368
FFE: Odour of fruit	160	2.00	5.00	4.10	.5849
Valid N (listwise)	160				

Table 4 shows that there is a high acceptance level on overall attributes in fruit freshness element among customers of MBG Fruit Shop. This shows that customers nowadays are particularly concern with the quality of food that they consume including fruits. For example, the appearance of fruits that has nice colour and skin indicate that the fruits are of the highest quality. Also, fruits that have been nicely arranged would attract customers to buy. The texture, taste, and odour of fruits provide satisfaction to each customer (respondent) hence these combinations strengthen their confidence and acceptance level towards the quality of the fruits offered by MBG Fruit Shop.

Table 5: Mean scores on product assortment element

Section E: Product Assortment Element	N	Minimum	Maximum	Mean	Std. Deviation
PAE: Variety of fruit choices	160	3.00	5.00	4.41	.5859
PAE: Variety forms of offerings	160	3.00	5.00	4.33	.6199
Valid N (listwise)	160				

With regards to the product assortment element provided by MBG Fruit Shop, the results show that the respondents like the assortment of fruits they had in the store. The fruits offered consist of both seasonal and non-seasonal fruits, enabling the customers to experience various types of fruits. At MBG Fruit Shop, they also sell cut fruits, fruit juices, and other fruit-based products thus enhanced the respondents' experiences during their purchases.

Table 6: Mean scores on price element

Section F: Price Element	N	Minimum	Maximum	Mean	Std. Deviation
PE: Reasonable price	160	2.00	5.00	3.70	.5913
PE: Affordable price	160	2.00	5.00	3.68	.5649
Valid N (listwise)	160				

Both reasonable and affordable prices are the attributes underprice element. Respondents have expressed a good acceptance level with these two attributes. Although most of the customers considered that the prices charged are relatively high, most of them still agree that the quality of fruits offered worth the money.

Table 7: Mean scores on customers' satisfaction

Section G: Customers' Satisfaction	N	Minimum	Maximum	Mean	Std. Deviation
CS: Freshness of fruits	160	3.00	5.00	4.27	.5346
CS: Variety of fruit choices	160	3.00	5.00	4.29	.5761
CS: Reasonable price offered	160	2.00	5.00	3.74	.5961
CS: Employee services	160	2.00	5.00	3.82	.5245
CS: Cleanliness of MBG Fruit Shop	160	3.00	5.00	3.93	.5993

CS: Environment of MBG Fruit Shop	160	3.00	5.00	3.91	.5585
CS: Satisfaction on overall purchasing experience	160	3.00	5.00	4.06	.4791
Valid N (listwise)	160				

The analysis on the customers' satisfaction reveals that the variety of fruits choices offered in MBG Fruit Shop are the main contributory factor that has influenced customer satisfaction in purchasing fruits. These findings are supported by Chernev (2011) and Asuquo and Igbongidi (2015), who stated that product assortment is the crucial factor that strongly influences customers' purchasing behaviour and decision. Similarly, the freshness of fruits offered has greatly influenced the satisfaction level of customers. The importance of this attributes has also been mentioned in previous study, which described that many customers from other countries will value and consider freshness of fruits before they decide to purchase (Chamhuri, 2011). Customers were fairly satisfied with the other factors; the environment of the store, the cleanliness, employee services, and price offered by the company. All of these factors provide a huge impact on customers' perception concerning the image of the store. As a whole, the analysis clearly reveals that most customers are highly satisfied with the overall purchasing experience in MBG Fruit Shop.

6   Conclusion

Fruit assortment and fruit freshness are the key determinants of customer satisfaction on MBG Fruit Shop. However, customers might have different perceptions towards the business if they purchase from other outlets throughout the country. Customers expect high quality products with acceptable level of services. It is worth to note that despite the flattering level of satisfaction, some customers were disappointed with the service provided by MBG Fruit Shop's employees. The dissatisfaction of customers on this attribute did not only affect customers' satisfaction level, but also the management of MBG Fruit Shop and other fruit sellers in general. The results from this study will be useful to fruit business owners in deciding whether there is a need for further investment of resources and improving the quality of services, which would increase the level of customer satisfaction.

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