

# A Study on Influence of Customer Experience on Customer Satisfaction in Supermarket Industry

ANUSHKA DUTTA

*Amity school of Business, Amity University Noida*

**Abstract—** *This report aims to find the relationship between two important aspects “customer experience” and “customer satisfaction” in the supermarket industry, customer satisfaction is an essential factor that determines the profitability and lifespan of any supermarket business in the highly competitive business environment and a better customer experience can lead to a better customer satisfaction. This paper enables people to understand different factors that affect customer experience and which will eventually affect the level of satisfaction among customers, different research methods such as empirical data analysis, literature review quantitative surveys, and qualitative interviews are used to find out different determinants of customer experience which will lead to customer satisfaction. This study enables us to understand the dynamic nature of the supermarket industry which includes several elements such as customer service variety of products, offers, pricing strategy, and technological integration, the findings of the research suggested that there are various touchpoints such as Staff attentiveness, availability of goods, personalized offers and discounts, store layout, etc*

**Index Terms—** *Customer Experience, Customer Satisfaction, Supermarket, Services, Products*

## I. INTRODUCTION

The supermarket sector is one of the key players in the retail industry as it serves consumers from various demographics and satisfies their needs and demands, supermarkets provide a wide range of goods such as grocery items, household items, stationary, clothes, cosmetics, FMCG products, etc. supermarkets have become one of the main shopping destinations for Indian consumers due to urbanization, the supermarket industry have witnessed a considerable growth as there is a shift in consumers demands, tastes and preferences supermarket management now recognizes that customer experience and satisfaction play a crucial role in determining their profitability and long-term viability. In light of this, the goal of the paper is to explore the complex link that exists between consumer

satisfaction and their experience in the supermarket sector. This research project intends to add to the research on managing the customer experience and provide beneficial information for supermarket operators controlling the complex challenges of the current retail environment by diving into the broad parameters of customer relationships, investigating recent developments, as well as looking at the practical consequences.

Need for study:

This study aims to find out the complex relationship between customer experience and experience satisfaction in the supermarket industry, the following are the objectives of the research 1. To understand the factors affecting customer experience in the supermarket industry, 2. To analyze the relationship between the customer experience and its impact on customer satisfaction, and how a higher level of satisfaction can be attained in the supermarket industry, 3. To discover different aspects of customer satisfaction in the supermarket industry.

## II. THE MATERIALS AND METHODS

Methodology:

This study consists of primary data collected through a questionnaire that includes questions related to customer satisfaction and customer experience including service quality, product quality, and convenience to understand the relationship between customer experience and customer satisfaction. The data is collected in three different cities ( Noida, Delhi, Kolkata) of varying age groups.

Major Findings:

This hypothesis testing is done by using regression analysis in SPSS, here two variables are taken availability of products which is a factor of customer experience, and customers' chances of returning to the store which is a factor of customer satisfaction, The

correlation coefficient is 0.455 which is statistically significant at  $p < 0.001$ , the ANOVA results indicate that this regression model is significant ( $p < 0.001$ ), hence the significant regression model and the significant correlations prove that there is a significant relationship between the two, Availability of products has a positive impact on the likeliness of customers to return to any particular supermarket store. This analysis clearly states that customer experience and customer satisfaction are interrelated, which means that customer experience impacts customer satisfaction.

#### Conclusion and implications:

This study has emphasized several factors of customer experience that influence customer satisfaction in the supermarket industry, by analyzing different factors that affect customer experience such as quality of customer service, the layout of the store, availability of products, after-sale services, discounts and offers, pricing strategies, etc this research paper able to establish the complexities that can affect customers purchasing decisions, loyalty and perception towards the brand. This study helps supermarket administrators to understand the customer needs and foster a deep connection with them, supermarkets by employing customer-centric strategies can help themselves to stand out from their competitors and lead the congested market.

#### Future research directions-

The study adds to the corpus of research on consumer satisfaction and experiences in the environment of the supermarket sector. Through the integration of data from the real world, conceptual frameworks, and pragmatic understandings, this study establishes a basis for subsequent investigations examining associated subjects like customer behavior, business innovation, and quality control.

#### Significance and contribution:

Supermarket operators can use the insights gained from this study to guide their business planning and choice of strategy. Companies can improve the whole buying experience by customizing their product lines, allocating resources optimally, and implementing focused efforts by recognizing the main factors of customer pleasure and satisfaction. companies can benefit from the research's pragmatic suggestions,

which can help them address particular pain spots including the level of service, accessibility of products, pricing plans, and technological advancement. This will help them build sustainable profits and retain customers.

#### Practical Implications-

- i. Better customer service- by understanding the different factors that affect customer experience and eventually lead to customer satisfaction, when the business prioritizes these factors they tend to build a “strong” connection with their customers, and when customers are satisfied with the services offered to them they tend to be loyal to the company. This helps the business with revenue growth and increased market share.
- ii. Competitive advantage – providing unique and better “customer experience” to the customers can give a competitive advantage to supermarket businesses over others, this can be a key differentiator from the competitors, supermarkets which are customer centric they tend to have better customer retention than others, the supermarket businesses which focuses more on implementing strategies on improving customer experience, they able get more advantage over their rivals.
- iii. Increased profit- companies can earn more profits by providing a better customer experience, satisfied customers tend to become repeat customers and their repeat purchases which results in companies getting more share of the customer's wallet, when a supermarket business provides a better customer experience they also increases the average transaction value, and also better customer experience increases sales, helps in inventory clearance and ultimately long term revenue growth.

#### Limitations:

- i. Limited sample size- The sample size considered for this research is very small and cannot be represented as the entire population of the country.
- ii. Research constraints- As this research paper is just based on the “customer experience” and “satisfaction” in the supermarket section and not the retail industry in general the factors do not apply to other businesses under this category.

- iii. Methodologies – This research paper combines different approaches and different methods can have their limitations.
- iv. Response bias- Certain participants might be undesirable to provide their response due to that they might not provide their honest opinions hence participants' actual behavior cannot be recorded.
- vi. Limited scope – Although many different factors are considered for customer experience it may not analyze all the factors that affect customer satisfaction such as hygiene factors, environmental factors, brand image etc.

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[6] <https://www.ibef.org/industry/retail-india>

### CONCLUSION

This study highlighted the fact that how customer experience and satisfaction are interrelated, a positive customer experience results in improved customer satisfaction, and customer-centric businesses, employ strategies to improve customer experiences and integrate better and more advanced technologies tend to lead the market, this research paper has also addressed about the dynamic relationship of customers with the supermarket as there needs and demands keep evolving and changing and how businesses can fulfil those needs and improve customer experience.

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