

Determinant Factors of Perceived Service Quality in the Food Retail Industry of Turkey

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Abstract. This study indicates the factors and sub-factors within the sector-specific measurement scale that is known as model of service quality based on 342 responds gathered by the online questionnaire method. These factors were listed and determined as highlighted in the literature. The study defines the influencing factors for the food retail industry of Turkey, which contributes to appropriate for the future strategies of the sector.

Keywords: Service Quality, Retail Service Quality, Turkey Retail Industry and Service Measurement.

1. Introduction

The service quality has become a significant research topic in the framework of marketing, and its' relationship with customer satisfaction [1; 2; 3; 4], customer loyalty [5], purchasing behaviour [6; 7], re-purchase intention [8], marketing segmentation [9], branding [10], cultural issues [11; 12] and other relevant subjects have been researched by many scholars.

Increasing of competition and customer expectation are one of the enormous adversatives for service providers [13], and because of those reasons, retail providers might change their strategies from the conventional approach, to adopt aggressive strategies that will drive them to obtain the lead in the market [14]. In this respect, customer (dis) satisfaction plays a considerable role for measuring the level of service quality in retail sector. Therefore, highly qualified service quality has become a key consideration for local and global companies, and it is defined as a capable competitive instrument by many retail service providers [15].

As highlighted before, the customer satisfaction or dissatisfaction is influenced by the perceived service quality and the value of the service [3; 4; 16]. The perceived service quality is identified as in the study conducted by [17] where perceived value is regarded as the customer's overall evaluation of the utility of a product based on their perceptions and actual contribution. Eventually, level of service quality might be described as the gap between perception and expectation of customers. In terms of the measuring service quality, expectations and perceptions might be defined as key decisive indicators of the existed and validated scales.

2. Literature Review

2.1. Service Quality

The SERVQUAL is the more applied model for measuring service quality that was developed by [18]. The model comprised of 22 items that are entitled in five factors of "tangibles", "reliability", "responsiveness", "assurance" and "empathy". The model has been widely utilized in various sectors, such as professional services [3; 19], tourism [20], education [21; 22; 23], pest control, dry cleaning, fast-food

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[24], banking [25], discount and department stores [26], retail stores [27] and health care [21; 28]. However, the feasibility of SERVQUAL dimensions has been criticized by scholars [21; 29; 30]. The study conducted by [29] argues that score on expectation should be less considered than on the perception; because of the psychological constraints, people may represent an inclination to mark 'desired level' (expectation) as first and 'existing level' (perception) as second. This conflict may lead or cause to "make the resulting deficiency scores problematic", and the data quality might be affected unfavourably.

According to [26], the SERVQUAL should not be defined as an appropriate model for measuring service quality in retail industry without any modification. For these reason, sector-modified measures of service quality might be more utilizable than a single generic scale [26; 29; 30]. Consequently, another model that is entitled Retail Service Quality Scale (RSQS) was developed and empirically validated by [26] with dimensions of scale namely: "physical aspects", "reliability", "personal interaction", "problem solving", and "policy". RSQS scale suggested the measuring of retail service quality composes of 28-item, and 17 of them have been adopted from SERVQUAL model while 11 items have been developed through their further literature review and research. In this respect, a study conducted by [31], have found that RSQS scale is more applicable than other scales to measure the service quality in supermarkets or hypermarkets.

2.2. Food Retail Industry of Turkey

As indicated at the last census in 2010 of Turkey [32], Turkey's population was 73,722,988 and Turkey was the 17th crowded country throughout the worldwide. Furthermore, 76.26 per cent of population lives in cities. The frame of Turkey's food retail industry is highly vigorous and competitive. As in the world, the industrial growth rate of retail in Turkey represented a remarkable increase in the past decade. According to the [33], the turnover of the sector was \$150 billion dollars at 2007 and \$187 billion dollars at 2010. From 2007 to 2010, the growth rate was accrued approximately 19%. Furthermore, the expected growth rate between 2010 and 2014 is 25%.

3. Methodology

This study used the RSQS scale for measuring the service quality of food retail settings in Turkey. A pre-test with a sample of 32 respondents was conducted; however, 7 items were cancelled. The reason of cancellation is the items were not appropriate in terms of meaning in this research. Totally, 357 questionnaires were gained by online survey, although 342 of these were proper responds and 15 of these discarded due to incomplete responses, hereby leading to a response rate of 95.79 per cent. All the expressions conducted on a seven-point Likert scale that is more appropriated measurement scale for social sciences [4; 23; 28]. The demographic data was obtained in the same questionnaire. The factor scores were analysed by the component factor analysis with varimax rotation for data reduction [34; 35].

4. Findings and Discussions

The scores of factor analysis for applicability was $KMO = 0.843$, Bartlett's Test of Sphericity= 4784.487 and its significance= 0.000. Thus, the 25 sub-factors were reduced to six main factors with eigenvalues higher than 1.0. 66.38 per cent of variance could be explained by these factors. The six main factors and the loadings of them are listed in the Figure 1. The overall reliability of this study was acceptable (Cronbach's coefficient alpha = 0.916), and the reliability of those factors is ranked from 0.72 to 0.789.

4.1. Demographic Background

According to result of study, 95.91 per cent of responds graduated from bachelor (university: 32.94 per cent, master and doctoral: 62.97 per cent. 85.14 per cent of total responds were over the 30 years old and 80.18 per cent of the contributors have a regular income that is at least 2000 TL (USD 1090). Furthermore, 60.06 % of them visit to a food retail store for shopping at least six times in a month. Furthermore, 79.3 per cent of respondents pay at least 50 TL (USD 28) per shopping.

Personnel Interaction		$\alpha=0,74$	Loadings
Q4	Giving immediately service by employee		0,913
Q3	Consistently polite with customer		0,752
Q5	Never too busy to respond to customers' request		0,728
Q6	Individual attention		0,546
Q1	Behaviour of employee instills confidence in customer		0,531
Q2	Knowledge of the employee		0,506
	Eigenvalue	8,24	
Policy		$\alpha=0,72$	Loadings
Q8	Safety in transaction		0,9
Q11	Error-free sales transaction and record		0,896
Q9	Accept most of major credit cards		0,863
Q7	Tell customer exactly what will be performed		0,734
Q10	High quality products		0,694
	Eigenvalue	2,277	
Physical Appearance		$\alpha=0,774$	Loadings
Q15	Visually appealing service material		0,808
Q14	Visually appealing physical facilities		0,734
Q13	Suitable operating hours		0,603
Q16	Modern-looking equipment and fixtures		0,563
	Eigenvalue	1,96	
Promises		$\alpha=0,74$	Loadings
Q18	Performs the service right at the first time		0,734
Q19	Providing service at the time it promising to do so		0,729
Q17	Promise to something by a certain time		0,692
Q12	Willingly handle returns and exchange		0,507
	Eigenvalue	1,68	
Problem Solving		$\alpha=0,789$	Loadings
Q21	Sincere interest to solve problem		0,74
Q22	Clean, attractive, and convenient public areas		0,603
Q20	Handling customers' complaint directly and immediately		0,584
	Eigenvalue	1,275	
Convenience		$\alpha=0,769$	Loadings
Q24	Store layout makes it easy for customer to move around		0,847
Q23	Store layout makes it easy for customer to find what they need		0,797
Q25	Availability of merchandise		0,565
	Eigenvalue	1,183	

Fig. 1: Factor patterns for retail services

4.2. Factors

Initially, the factor that was labelled as “personal interaction” was consisted of six sub-factors and accounted for 32.9 per cent of the variance. The sub-factors under this broad category were similar to the five dimensions out of 8 that were listed by [26], but a new item “ giving immediately service by employee” was added. It should be explained by the fact that the life in Turkey is commonly dynamic and consumers expect correct and polite services. According to studies of [2; 36; 24], the customer satisfaction is recognized in terms of what customers perceive from retail service providers, and this interaction could increase the satisfaction level or number of dissatisfied customers [27].

Secondly, the variance of the “policy” category was an additional 9.01 per cent and coefficient alpha of broad category was 72 per cent. As listed in the Figure 1, the first three sub-factors have remarkable loading scores. Although, the loading score of “high-quality products” was listed end of the category of “policy”. It might be explained by if the retail service provider described clearly the policies of store or brand, transactions conditions, features of products and their sensitivity on the customers requirements, the customers could purchase or repurchase more confidently.

Thirdly, for the broad category labelled as “physical appearance”, its coefficient alpha was accounted as 77.4 per cent and for the additional 7.84 per cent of the variance. The sub-factors of “convenient operating hours”, “visually appealing service material” and “visually appealing physical facilities” can be matched

exactly with the dimensions of RSQS, however the sub-factor of “modern-looking equipment and fixtures” in this study was added as a new item for this category.

The “promises” category was accounted as 6.71 per cent. The coefficient alpha value of this category was 74 per cent. Two sub-factors of the category were similar to dimensions of the RSQS. However, the sub-factors of “performs the service right at the first-time” and “willingly handle returns and exchange” were newly listed in “promises”. It described that attitudes and expectations of customers from retailers. Specifically, those sub-factors can be directly and highly related to the loyalty of the retail service providers.

For the category labelled as “problem solving”, the coefficient of the category was accounted as 78.9 per cent and the variance was quantified as 5.1 per cent. The original dimensions of RSQS were matched of the two sub-factors of this study, however, unexpectedly the sub-factor “clean, attractive and convenient public areas” was listed under this broad category. It might explain the shopping experiences of customers in numerous stores and their hygiene conditions. The customers may identify the conditions as a problem for those stores and it should be an intangible reason for (dis) satisfaction [37; 38].

Finally, “convenience” broad category was composed of three sub-factors and its additional variance was accounted for 4.73 per cent. The reliability value of this category was indicated as 76.9 per cent. The first-two sub-factors were matched with RSQS scale, and the third sub-factor of this study was listed surprisingly in this category.

5. Conclusion

Service quality is a considerable and the simplest marketing instrument for retail service providers to create ambitious benefits and to improve the (dis) satisfaction level of customers. The food retailers in the study are recognizable companies in Turkey, and they have many branches of various sizes throughout the country. In order to survive in the market, the retailers might determine the demands of target customers and understand how customers evaluate their service quality or what customer request exactly in the shopping practice.

In sum, retailers in Turkey should responsive to the consumer’s needs and demands when implicate the service strategies in food retail industry. Hence, effective and competitive strategies in service quality will enhance the customer satisfaction and profitability of retail service providers.

6. References

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