

SUPERMARKET SERVICE QUALITY AND ITS IMPACT ON CUSTOMER LOYALTY: A STUDY IN THE BADULLA DISTRICT

S.S.N.A. Subasingha^{1,*} and W.M.P.G.R. Pushpakumara²

^{1,2}Faculty of Management Studies, Department of Business Management, Rajarata University of Sri Lanka, Mihinthale,

**Corresponding author (Email: nirmalaamarathunga614@gmail.com)*

ABSTRACT

In recent years, global concerns regarding the retail industry have increased, with researchers primarily focusing on supermarkets. This study seeks to determine whether service quality is the reason why many consumers choose supermarkets despite higher prices. This study investigates supermarket service quality and its impact on customer loyalty in Badulla district. Previous studies have demonstrated that service quality attracts customers and significantly influences customer loyalty, although other factors also contribute. This study examined the extent to which service quality affects customer loyalty in the supermarket industry. The independent variables included physical aspects, reliability, personal interaction, problem solving, and shopping policy, with customer loyalty as the dependent variable. The study adopts an explanatory research design, with a sample of 384 supermarket consumers used to collect data from the respondents. The respondents rated their agreement on a five-point Likert scale. Data were analyzed using the Statistical Package for Social Sciences (SPSS). The hypotheses were tested using Pearson's correlation coefficient and regression analysis. The results of the correlation and multiple regression analyses indicate that service quality is moderately, positively, and significantly correlated with customer loyalty. This study provides theoretical and practical implications, as well as suggestions for future research in different industries.

Keywords: Customer behaviour, customer loyalty, retail industry, service quality