

The Component of Marketing Strategies that Influence Customer Satisfaction in Grocery Retail Stores

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Abstract

This study aims to identify components of marketing strategies that influence customer satisfaction in grocery retail stores in Johor Bahru, Malaysia. This study focused on customers who make purchases in grocery retail stores within Malaysia, using Structural Equation Modelling (SEM) and the Theory of Planned Behaviour (TPB) to examine customer satisfaction based on key marketing strategy components. To better understand the grocery retail industry, it's crucial to examine how the six dimensions of independent variables influence customer satisfaction in grocery retail stores. As Malaysia's grocery retail industry becomes more competitive, grocery retailers must identify the key components of marketing strategies that truly differentiate them from competitors and drive online purchases. This study gathered data from 120 Johor Bahru residents who had previously purchased products from grocery retail stores surrounding Johor Bahru, Malaysia. The data was analysed using SPSS version 23.0 and PLS-SEM using SmartPLS 3. The study found that product attributes, monetary value, store attributes, promotion alternatives, convenience, and Customer Relationship Management (CRM) influence customer satisfaction in grocery retail stores. Grocery retailers should implement targeted strategies to consider the significance of key components and take better initiatives to address the significant competitive challenges in similar markets or industries.

Keywords: Customer Satisfaction in Grocery Retail Stores, Product Attributes, Monetary Value, Promotion Alternatives, Store Attributes, Convenience, Customer Relationship Management (CRM)

Introduction

Malaysia's retail industry is varied, encompassing traditional markets, shopping malls, and e-commerce platforms. The industry has evolved to meet shifting consumer demands and technical improvements, with online shopping and digital payment methods becoming

more popular. Malaysia's diverse population impacts the market, driving demand for sustainability and ethical shopping. The rise of "retailtainment" and "buy local" has reshaped physical retail environments. Technology integration improves the purchasing experience. By 2023-2029, Malaysia's retail market is expected to grow to a value of USD 112.98 billion, propelled by government initiatives, e-commerce, urbanisation, economic development, and tourism. Urbanisation, e-commerce, tourism, and rising disposable incomes are driving the market's expansion. It is a key participant in the global retail scene because of the Malaysia Retail Industry Blueprint and other regulations that support its resilience and competitiveness (GlobalData Plc, 2025).

Malaysia's food and grocery retail industry is changing due to shifting consumer tastes and the growing impact of digital technologies. GlobalData, a prominent data and analytics organisation, predicts that the Malaysian e-commerce market will grow by 12.8% by 2024, owing to the continued movement in customer preferences from offline to online buying. Online grocery shopping and e-commerce have grown significantly, particularly in cities (GlobalData Plc, 2025). According to GlobalData's E-Commerce Analytics, the Malaysian e-commerce market will expand by 15% in 2023 to MYR44.6 billion (\$9.8 billion), as customers transition from offline to online shopping. The market is expected to grow by 12.8% in 2024, reaching MYR50.3 billion (\$11 billion) (GlobalData Plc, 2025). Customers are drawn to online platforms by convenience, product diversity, and affordable prices. To satisfy a variety of customer requests, traditional brick and mortar retailers are also adjusting by providing a greater selection of goods, such as speciality and organic goods.

The future of the market will likely be a combination of online and physical purchasing, with businesses focusing on enhancing omnichannel options and customer convenience (Mark, 2024). Malaysia's food and grocery retail business is changing quickly as a result of digitalisation and shifting consumer tastes. Convenience is becoming increasingly important to consumers, and online grocery buying is growing. In response, retailers are increasing their online presence and providing delivery services (Masitah, 2023). The supermarket industry is also being shaped by consumer demand for sustainable, locally sourced, and organic items. In this cutthroat industry, personalised shopping experiences and loyalty programs are increasingly important factors in influencing customer engagement (Stratos Pinnacle, 2025).

There is a significant shift prompted by the new digital environment, as evidenced by the following. Online grocery shopping is gaining traction as customers prefer it because it's quite easy, and they get a wider range of products when they do not have the time or cannot get out of the house for various reasons (Chen et al., 2018). In an endeavour to ensure that consumers have seamless transitions from one stage of the buying process to the other, most of the conventional grocery sellers have embraced what is known as 'omnichannel approach,' which fuses the online and offline buying processes (Kumar et al., 2017). Customers can now search online for a product to check its availability, either to fully shop online or prepare an online order for pickup at a physical store.

In the future, several trends observed today will impact grocery retail. Customers want to buy fresh products like fruits, vegetables, and high-quality meat; therefore, stores are now focusing on improving their interactions with farmers and suppliers more frequently (Lockhart & McManus, 2016). Further, there is a realisation that private label brands are gaining much

popularity, hence, offering an avenue for decision making whereby stores can price compete with manufacturers while at the same time earning high profit margins (Blattberg & Peacock, 1995). Increased use of technology has also been helping grocery retailers improve the overall shopping experience and store operations. This includes self-checkout terminals, mobile apps for loyalty programs and lists containing shopping preferences, and technology for capturing customer details at the store (Verhoef et al., 2003).

Literature Review

Theory of Customer Satisfaction in Grocery Retail Stores

Marketing strategies are plans developed by businesses to promote and sell their products or services. Besides, marketing strategies encompass the overarching approaches and tactics employed to achieve specific marketing objectives. There are some components included, such as marketing segmentation, targeting, positioning, product strategy, pricing strategy, distribution strategy, promotion strategy, digital marketing, content marketing, customer relationship management (CRM), branding, and Analytics and Data-Driven Marketing. Grocery businesses know what matters to their customers and adjust their marketing strategies accordingly to encourage more people to purchase their goods (Moore, 2016). A variety of intriguing elements, including price, distribution, product quality, and service quality, can be utilised as marketing methods to boost consumer pleasure. These are the crucial elements that positively correlate with customer happiness. Therefore, to create and deliver the most incredible offerings, a business must be aware of and comprehend marketing methods that impact consumer satisfaction (Heskett, 2002, et.al, 2021).

Customer satisfaction is an outcome that measures how well a company's products or services meet or exceed the expectations of its customers. It is definitely a significant metric that reflects the overall contentment and experience of customers towards a particular brand. High levels of customer satisfaction indicate that customers are happy with their interactions and transactions, which can lead to improvement of loyalty, positive word-of-mouth, and repeat business. Conversely, low levels of satisfaction can result in customer churn and negative reviews. Furthermore, maintaining customer happiness offers multiple advantages for the organisation, including increased market share, revenue, cost savings, and improved financial performance due to a higher number of happy customers (Egan, 2001 & Bruhn, 2003). Consequently, to establish enduring relationships, increase profitability, and enhance the company's financial performance, the business should use marketing techniques to please, retain, and win over the loyalty of its current clientele (Barnes, 1994).

The concept of purchasing intention in grocery retail stores refers to the probability or inclination of customers to make a specific purchase during their visit. It reflects a customer's deliberate planning to make a purchase. It is influenced by factors such as socioeconomic variables, brand loyalty, perceived value, personal preferences, promotional activities, and the store atmosphere. The cognitive and affective assessments influencing a consumer's decision to purchase a product are part of buying intention, which can then result in actual purchasing behaviour (Ajzen, 1991). Understanding purchasing intention is significant for grocery retailers as it helps in designing effective marketing strategies, improving customer satisfaction, and ultimately driving sales growth.

Product Attributes is where retailers started analysing each product's contribution within a category; nevertheless, after realising that sales quantities were not the most reliable indicators for choosing a category mix. To do this, they had to research and comprehend retail behaviour (Ramaseshan, Achhthan, & Collinson, 2009). Since product availability is one of the main factors contributing to a shop losing a client due to switching or defection, the majority of retailers take proactive measures to improve it (Krishnan, Koelemeijer, & Rao, 2002). There are numerous characteristics of a store worth expanding upon, such as retailers providing high-quality goods rather than just concentrating on low-cost, low-quality items (Rafi & Mushtaq, 2023). According to research, product quality is an essential factor for retailers and businesses to differentiate themselves and achieve a competitive advantage (Minguela-Rata, 2011 & Minguela-Rata, 2006).

Secondly, **Monetary Value** is the value for money based on price and promotions, which enhances the shopping experience for customers (Grewal & Levy, 2009). Meanwhile, previous research demonstrates that the monetary value of a purchase predicts satisfaction, as consumers who perceive value for money are more satisfied than those who do not (Juhl, Kristensen, & Ostergaard, 2002). Consumers may not go to a different retail location due to little price discrepancies if they are aware of the costs of some fundamental goods. Since they might not purchase the same things every time they shop, they consider the difference in their overall baskets (Desai & Taludar, 2003). It was added with the suggestion that applying price policies and strategies can assist shops in boosting sales volume and profit (Frazier, 2008). Price is a significant factor in deciding whether to maintain a relationship with a store since it influences the sense of value, which affects satisfaction (Varki & Colgate, 2001). Additionally, it was also mentioned that increasing the cost of switching can enhance repurchase intention and behaviour while weakening the link between customer satisfaction and repurchase (Selema, 2018).

Promotion Alternatives define retailers determine the weight and frequency of their promotions based on the competition and their client base, regardless of the promotional strategy they use, such as price off, promotional packs, loyalty cards, immediate discounts, and so on (Kamakura & Kang, 2007). Discounts like specials or sales promotions, in addition to price, also have an impact on the value intention. Four items are used to measure the effects of sales promotions: attractiveness, purchase willingness, perceived acquisition value (established by Grewal, 1998), and purchase behaviour (taken from Chandon, 2000).

Store Attributes emphasise retailers must entice customers to visit their location, compel them to remain and spend money, and encourage them to return (Teller & Reutterer, 2008). Customers' reactions to the retail environment are influenced by additional elements of a favourable store atmosphere, such as music and cleanliness (Chamhuriand & Batt, 2013) & (Grewal, Baker, Levy, & Voss, 2003). Key components of the physical environment of retail establishments include supermarket design, layout, and external look (Moye, 2000). In addition, it was found that in retail marketing, personal traits and a welcoming shopping environment are more important than pricing factors (Bolten, Kennerknecht, & Spiller, 2006). Plus, (Tlapane, 2009) discusses how store layout is significant because it influences information processing and decision-making processes. The store's flow is important since customers are spending more time there while spending less money (Tlapane, 2009).

Convenience is where the ease of shopping at contemporary retail establishments was discussed in terms of the amenities offered, including parking, shopping carts and baskets, proximity to other stores, extended business hours, well-presented merchandise, signage, and the appropriate breadth and depth of the product selection (Guens, Brengman & Jeger, 2003). Furthermore, everything that saves time or makes things easier for customers while still providing comfort is considered consumer convenience (Chamhuri & Batt, 2013). Supermarkets take location into consideration while setting up shop, based on the established Reilly rule of retail gravitation, consumers are driven to larger shopping centres. As a result, larger cities tend to attract more customers than smaller ones for shopping (Reilly, 1931). When a consumer is examining their options, the most convenient option is the primary pick, especially if the offering is homogeneous (Carpenter, 2006).

Customer Relationship Management (CRM) is also bringing significant contribution where retailers aim to build stronger ties with their customers, just as repeat business does over time. Personal interactions between retailers and consumers foster trust (Chamhuri, & Batt, 2013). It was also mentioned that factors such as staff friendliness, service personnel, and the presence of polite and knowledgeable staff are used to gauge the quality of the service provided (Tauber, 1972). Whether they use CM or not, the majority of shops aim to raise customer happiness. To do this, they provide relevant, customer-driven services that enhance the comfort and enjoyment of shopping and in-store time (Tsai, M-T, Lai & Chen, 2008). CRM programs are likely to have an impact on customer knowledge, according to empirical testing of the effects on customer satisfaction and knowledge (Mithas, 2005). Service quality is an empirical evaluation that may invariably influence customer satisfaction (Oh, 1999). Personal interaction with service people can either improve or degrade the buying experience (Fitzsimmons & Fitzsimmons, 2004). Enduring service intensifiers are stable characteristics that increase a customer's sensitivity to service (Jones, 2007).

Previous Studies on The Components Of Marketing Strategies That Influence

Customer Satisfaction In Grocery Retail Stores

The components of marketing strategies that influence customer satisfaction in grocery retail stores were examined by (Al-Ali, Bazin, Shamsuddin, 2015). Customer's perception of monetary value, Customer Relationship Management (CRM) and convenience, and store attributes are the three independent variables they identified. This study examines the relationship between store features and customer satisfaction in the grocery retailing industry, aiming to determine their impact on total satisfaction in Malaysia. Out of the 400 questionnaires that were issued, only 313 were deemed legitimate. This figure is in line with the sample size requirements for the PLS-SEM method estimation, meaning that 78% of the respondents answered the questions.

Additionally, consumers who are older than 20 years old who often visit to hypermarkets and supermarkets located in selected areas within Johor Bahru city (Malaysia) make up the target responder group for this survey. The study's conclusions indicate a positive relationship between these three independent variables and customer satisfaction in the grocery retailing industry. According to the research, customers' satisfaction in the grocery retailing industry is mostly influenced by monetary values, as indicated by the results. Besides, they also noted that customers are more inclined to trust products with affordable prices and attractive promotions.

Furthermore, the variables that influence consumer choices and the marketing strategies implemented by grocery stores have been elucidated by prior studies by Mario Chao & Deborah (2022). The two independent variables they identified were customers' considerations of monetary value and convenience. The purpose of this research study was to determine whether specific tactics used by grocery stores influenced the final decisions made by customers. Surveys, both qualitative and quantitative, were used to find out what factors affected people's decisions to buy. In the initial study, 140 adults and teenagers participated in an online random poll to learn about their purchasing patterns and dietary preferences. In the second poll, 81 adult consumers responded to an online questionnaire about the marketing strategies that impacted them. Based on the findings, the most important variables were monetary value and convenience. These two independent factors, along with customer satisfaction in the grocery retailing industry, have a positive association, according to the study's conclusions. However, in association with my research, price is the primary factor in consumers' purchasing decisions at grocery retail stores, accounting for 67.1 per cent of the total.

In addition, four variables were included in the category management key variables model, which was evaluated in a Kuwaiti category-managed superstore. These variables are product attributes, monetary value, promotion alternatives, and Customer Relationship Management (CRM) (Khurram, 2012). This study provides an overview of category management (CM) techniques and their impact on consumer satisfaction in the grocery retail sector in Kuwait. Data from 309 Kuwaiti customers were gathered using a descriptive research approach with a quantitative research design through a questionnaire-based survey. Results showed that product availability, assortment, and superior customer service were the main factors influencing customer satisfaction. The study concludes that retailers, especially those in large metro areas, should focus more on CRM procedures and inventory management. The impact of location and atmosphere is very low to moderate, most likely due to the increased accessibility of mobility.

Moreover, based on the research study examining customer satisfaction with marketing strategies at supermarkets in Bangalore by Jogi & Sam (2014), five variables are identified as having a relationship with the study: convenience, store attributes, product attributes, promotion alternatives, and Customer Relationship Management (CRM). By employing quota sampling, 224 people were selected as a sample size from the Bangalore grocery customer population. The study concludes that retailers, especially those in large metro areas, should focus more on CRM procedures and inventory management. The impact of location and atmosphere is very low to moderate, most likely due to the increased accessibility of mobility. The study's results show that the five independent variables have a positive and significant impact on customer satisfaction.

Besides, to support the measurement of customer loyalty through satisfaction with retail marketing strategies in Malaysian hypermarkets, some independent variables have also been investigated by Rahman (2014). These include Customer Relationship Management (CRM), product attributes, monetary value, and store attributes. The data analysis included descriptive statistics, exploratory and confirmatory factor analysis. After applying AMOS and structural equation modelling, 292 valid instances were chosen to investigate the hypothesised link between variables in the conceptual model. The study found that Customer

Relationship Management (CRM), product attributes, monetary value, and store attributes all have a substantial impact on customer satisfaction. Additionally, customer satisfaction is directly related to loyalty.

Apart from that, due to the shifting purchasing behaviour of customers, merchants are compelled to delve deeply into effective marketing strategies, such as researching product attributes and promotional strategy (Kumar et al., 2022). The objective of this article is to explore the impact of different marketing tactics on the level of enjoyment experienced by retail customers. The data collection methods included structured questions and situations, which were given to a total of 150 respondents in Faridabad, one of the cities in the National Capital Region. Besides, descriptive statistics such as percentage analysis, the weighted average, and the chi-square test were also implemented. According to the conclusions of this survey, the organised retail sector places a high value on its products, services, promotional activities, and salespeople.

Other than that, with additional research in the study of impacting customer satisfaction in supermarkets by (Basariya & Sharifi, 2019), shopping convenience, store attributes, product attributes, monetary value, as well as Customer Relationship Management (CRM) seem to be significant for analysis, especially in one of the fastest growing retail markets like India. After extracting several variables of service quality and retail store features from a body of literature on services in Nigiris supermarkets, this study seeks to determine the primary aspects that contribute to consumer satisfaction in Nigiris supermarkets. The collected parameters are then used as independent variables in a regression analysis, with customer satisfaction serving as the dependent variable. The questionnaire includes a Likert scale and multiple-choice questions. There are 17 independent variables that, through factor analysis, are reduced to 5 key components that have a substantial impact on customer satisfaction in Nigerian supermarkets.

Lastly, this study includes the research analysis of the grocery retail sector in South Africa, aligning with the drivers of consumer behaviour (Mfundo & Brian, 2020). These involved independent variables such as convenience, Customer Relationship Management (CRM), and the impact of store attributes on customer satisfaction. The literature highlights the necessity of knowing what influences customer satisfaction and how it leads to customer loyalty. This study used a quantitative technique, with data obtained by a questionnaire. As a result, 334 persons participated in the survey, and 288 finished it, yielding an 86% completion rate. Based on the analysis conducted, the findings indicate that all independent variables show a significant and positive impact on customer satisfaction.

Development of Hypothesis

Based on the previous studies discussed above about the impact of marketing strategies on customer satisfaction in grocery retail stores, six hypotheses are developed in this study. The hypotheses will show as follows:

H1: There is a significant relationship between the product attributes and the components of marketing strategies that influence customer satisfaction in grocery retail stores.

H2: There is a significant relationship between the monetary value and the components of marketing strategies that influence customer satisfaction in grocery retail stores.

H3: There is a significant relationship between promotion alternatives and the components of marketing strategies that influence customer satisfaction in grocery retail stores.

H4: There is a significant relationship between the store attributes and the components of marketing strategies that influence customer satisfaction in grocery retail stores.

H5: There is a significant relationship between the convenience and the components of marketing strategies that influence customer satisfaction in grocery retail stores.

H6: There is a significant relationship between the customer relationship management (CRM) and the components of marketing strategies that influence customer satisfaction in grocery retail stores.

Research Methodology

Research Design: The quantitative research approach will be used in this study, out of all the research approaches. The quantitative technique develops hypothesised linkages and suggested outcomes to evaluate theory in a deductive fashion from known data (Johnson, 2004). Quantitative method is concerned with measurement, replication and overall generalisation (Bryman, 2006). The technique has been employed by research looking to quantify related phenomena and has the advantage of using standardised measurement and data collection procedures (Ostlund, 2011). Besides, this study seeks to investigate the relationship between components of marketing strategies and customer satisfaction in grocery retail stores. Therefore, a quantitative approach will demonstrate how strongly variables are correlated (Johnson, 2004).

Sampling Plan: This study will use a non-probability sampling technique. It was defined that non-probability sampling as convenience, judgmental, and snowball sampling (Elfil & Negida, 2017). This study used convenience sampling, which was described as a quick, economical, and convenient approach for collecting data (Elfil & Negida, 2017). Convenient sampling refers to selecting sample elements based on their accessibility and closeness. This method is preferred over other sample collection methods due to its efficiency and ease of use in conducting the study.

Research Instrument: The research tool in this study is a questionnaire utilised to get data from the respondents. Google Forms will be used to provide the questionnaires, which will then be distributed online. Furthermore, the respondents need to fulfil the requirements, such as being residents of Johor Bahru, Malaysia, and having prior experience in making purchasing decisions based on marketing strategy components that influence customer satisfaction in grocery retail stores. Structured questions are made for the questionnaires used in this study as they are specific, precise, and predetermined (Kothari, 2004). Since it is simpler to examine the data, the questionnaires are conducted using structured questions. Additionally, the questionnaires are separated into three sections, which are Section A, B, and C. The demographic profile of respondents is presented in Section A. 6 components of marketing strategies that influence customer satisfaction in grocery retail stores will be determined in Section B. These components include product attributes, monetary value, store attributes, promotional strategy, convenience, and Customer Relationship Management (CRM). Finally, Section C will demonstrate the respondents' customer satisfaction in grocery retail stores.

This study examines the components of marketing strategies that influence customer satisfaction in grocery retail stores, especially in Johor Bahru, Malaysia, using a 5-point Likert scale. Furthermore, the Likert scale will be designed with five points, namely 1= strongly disagree, 2= disagree, 3= neutral, 4= agree, and 5= strongly agree, which indicate the respondents' level of agreement or disagreement with each question in the questionnaires.

Aside from that, every question in the questionnaires was taken from the earlier study article. Eight earlier research studies were consulted for this investigation. The following will display the research questions' classification.

Findings

Cronbach's Alpha was chosen as the preferred dependability test for the component of marketing strategies that influence customer satisfaction in grocery retail stores because it was used in a previous study by Blattberg & Peacock (1995). Cronbach's Alpha is intended to assess the dependability of the variables. Cronbach and Shavelson (2004) determined the consistency of test items. According to Burns and Burns (2013), Cronbach's Alpha values ranging from 0.7 to 0.9 indicate high reliability in research. The table shows that all variables surpass the desired range of 0.8.

Table 2
Reliability Analysis

Variables	Number of Items	Cronbach's Alpha
Product Attributes	4	0.850
Monetary Value	4	0.850
Promotion Alternative	4	0.900
Store Attributes	4	0.800
Convenience	4	0.920
Customer Relationship Management (CRM)	4	0.900
Customer Satisfaction	4	0.930

Table 3 displays respondents' demographics, including gender, age, monthly income, and frequency of purchasing in grocery retail stores. A total of 121 questionnaires were distributed and collected, resulting in a 100% return rate.

Table 3

Demographic Profile of Respondents

Demographic Variables	Categories	Frequency	Percentages
Gender	Male	53	53%
	Female	68	68%
Respondents Age	20-29	64	64%
	30-39	14	14%
	40-49	28	28%
	50-59	11	11%
	Above 60	4	4%
Monthly Income	Below RM 2000	44	44%
	RM 2000- RM 2999	21	21%
	RM 3000- RM 3999	15	15%
	RM 4000- RM 4999	6	6%
	Above RM 5000	35	35%
Frequency Purchasing in Grocery Retail Stores	Daily	3	3%
	Twice a week	20	20%
	Weekly	47	47%
	Every 2 weeks	20	20%
	Monthly	31	31%

For research studies with large samples, a normality test is necessary before proceeding with further analysis (Arabmazar & Schmidt, 1982). According to George and Mallery (2010), normalcy findings range from -2 to +2. According to Table 4, all data values range from -2 to +2, indicating that all variables are regularly distributed.

Table 4

Normality Analysis

Variables	Skewness	Kurtosis
Product Attributes	-0.880	1.820
Monetary Value	-0.750	1.170
Promotional Alternative	-0.090	-0.330
Store Attributes	0.270	0.520
Convenience	-1.000	1.860
Customer Relationship Management (CRM)	0.380	0.820
Customer Satisfaction	-0.710	1.670

The Relationship between Components of Marketing Strategies That Influence Customer Satisfaction In Grocery Retail Stores

In this study, regression will be utilised to assess both research aims. Table 5 indicates a significant association between product attributes and customer relationship management with customer satisfaction. The findings also indicated that monetary value ($\beta = 0.110$, $p > 0.05$), store attributes ($\beta = 0.130$, $p > 0.05$), convenience ($\beta = 0.130$, $p > 0.05$), and promotional strategies ($\beta = -0.030$, $p > 0.05$) does not have a significant relationship with customer satisfaction.

Additionally, product attributes ($\beta = 0.230$, $p < 0.05$) and customer relationship management (CRM) ($\beta = 0.410$, $p < 0.05$) had the highest impact on customer satisfaction. The R-square value indicates how supply chain management techniques impact customer satisfaction. The R-squared score of 77% suggests that all components of marketing strategies are effective predictors of customer satisfaction in grocery retail stores.

Table 5
Regression Analysis

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	
1	0.85	0.77	0.76	0.4	
Coefficients					
Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	-0.040	0.200	0.000	0.220	0.827
Product Attributes	0.240	0.080	0.230	2.870	0.005
Monetary Value	0.110	0.080	0.110	1.400	0.165
Promotion Alternative	0.140	0.060	0.030	-0.420	0.675
Store Attributes	-0.020	0.090	0.030	1.570	0.118
Convenience	0.130	0.080	0.130	1.670	0.098
Customer Relationship Management (CRM)	0.420	0.080	0.410	5.130	0.000

Discussion

The Relationship between Components of Marketing Strategies That Influence Customer Satisfaction

Customer satisfaction in grocery stores is heavily influenced by product attributes and customer relationship management (CRM). Product qualities such as quality, price, variety, and packaging all influence consumer views (Kotler & Keller, 2016). Sivadas and Baker-Prewitt (2000) discovered that customers are more satisfied when grocery stores provide high-quality products at competitive pricing. Similarly, freshness and availability of items improve satisfaction because consumers value ease and dependability (Grewal et al., 2020). Furthermore, CRM methods such as tailored services, loyalty programs, and effective complaint resolution improve customer connections and satisfaction (Peppers & Rogers, 2016). According to Sin et al. (2005), good CRM in retail promotes trust and long-term loyalty by anticipating clients’ wants. Nguyen et al. (2020) found that grocery businesses using CRM technologies, such as data analytics for targeted marketing, have higher satisfaction ratings.

Contrary to popular belief, this study demonstrates no significant association between monetary value, store features, convenience, or promotion alternatives and customer satisfaction in grocery retail stores. While previous research implies that pricing and discounts influence satisfaction (Zeithaml, 1988), this study supports the findings of Sirohi et al. (1998),

who contend that in highly competitive retail situations, price sensitivity declines as consumers prioritise other intangible variables. Similarly, store attributes (e.g., layout, cleanliness) and convenience (e.g., location, opening hours) were discovered to have no significant effect on satisfaction. This contradicts Bitner's (1992) servicescape theory, but it confirms Oppewal and Timmermans' (1999) findings that once minimum standards are reached, subsequent improvements do not significantly boost satisfaction. Furthermore, promotional methods such as discounts and loyalty programs had no meaningful effect, contradicting Blattberg and Neslin's (1990) findings. However, this is consistent with Ailawadi et al. (2009), who discovered that excessive marketing may result in deal-seeking customers rather than true loyalty.

Discussion on Product Attributes and Customer Relationship Management (CRM) with Customer Satisfaction

According to regression study, product attributes and customer relationship management (CRM) have a considerable influence on customer satisfaction in grocery retail businesses, with product attributes having the greatest impact. Product attributes had the highest standardised beta coefficient ($\beta = 0.410$, $p < 0.01$), followed by CRM ($\beta = 0.230$, $p < 0.05$), in terms of customer satisfaction. This conclusion supports Kotler and Keller's (2016) assertion that product quality, cost, and variety are the key drivers of consumer pleasure in retail contexts.

Peppers and Rogers (2016) contended that tailored services, loyalty programs, and effective complaint resolution promote trust and repeat purchases. Sin et al. (2005) also proved that CRM solutions, such as data-driven marketing, increase customer satisfaction by personalising offers to individual tastes. The study's high beta coefficient validates these findings, confirming that exceptional customer relationship management (CRM) leads to increased customer loyalty.

Product attributes have a slightly smaller but nonetheless important impact on long-term customer retention. Similarly, Sivadas and Baker-Prewitt (2000) underlined that customers value availability and dependability, making well-stocked shelves and fresh goods essential for satisfaction. However, the comparatively low beta value indicates that product attributes alone cannot compensate for poor product quality, reaffirming the notion that product excellence comes first.

Retailers should prioritise maintaining high CRM while offering excellent product attributes to build stronger consumer relationships. Future research could look into how digital CRM advancements (such as AI-powered suggestions) combine with product qualities to increase satisfaction even further.

Management Implication

Product features such as quality, freshness, variety, and packaging have the greatest impact on customer satisfaction (Kotler & Keller, 2016). Customers expect grocery stores to regularly offer high-quality products that fulfill their demands. Grewal et al. (2020) found that retailers with superior product quality and variety have higher customer retention rates. Retailers must collaborate closely with their suppliers to ensure constant product quality and availability. Implementing strong quality control procedures at each stage of the supply chain

helps to maintain standards. Besides, stocking a diversified range of products, including organic, locally sourced, and foreign goods, caters to a variety of consumer tastes as well as enhances packaging by investing in functional and sustainable packaging, which can boost product freshness and appeal, hence increasing customer trust (Sivadas and Baker-Prewitt, 2000).

While a competitive price is crucial, too much discounting can reduce brand value and profitability. Zeithaml (1988) emphasises that buyers perceive value through a mix of price and quality rather than just cheap prices. Rather than making frequent price decreases, businesses can promote value through package deals, loyalty awards, and private-label products. Additionally, using data analytics to modify prices based on demand patterns might increase revenue while retaining customers, plus clear communication regarding pricing (for example, unit pricing) assists customers in making educated decisions, which increases confidence.

The store's surroundings and convenience influence customer satisfaction. According to Bitner's (1992) service-scape theory, a well-designed store layout and cleanliness help to create happy shopping experiences. Creating logical store layouts with clear signage enhances navigation and decreases shopper irritation. Align with store cleanliness and maintenance, regular store upkeep also helps to create a pleasant shopping atmosphere, reinforcing client views of quality. Omnichannel integration should also be emphasised by providing seamless online-offline experiences, such as click-and-collect, curbside pickup, and same-day delivery, which increases convenience (Nguyen et al., 2020).

Misused promotional methods can attract deal seekers rather than loyal clients. Blattberg and Neslin (1990) contend that an overreliance on discounts may train people to wait for sales rather than shop consistently. Hence, managerial implications should include personalised promotions that use CRM data to modify discounts based on individual shopping habits, increasing relevance and efficacy. Besides, hosting in-store activities (e.g., cooking demonstrations, seasonal tastings) offers unique experiences that go beyond price discounts. Other than that, loyalty programs that reward repeat consumers with points, unique discounts, or early access to sales encourage long-term involvement.

Effective CRM systems enable retailers to create long-term client relationships. Peppers and Rogers (2016) underline the importance of individualised interactions and rapid complaint handling in increasing customer satisfaction. Using recommendation engines based on purchase history enhances shopping experiences. Proactive customer service should also be implemented efficiently, such as training employees to handle complaints sensitively, which helps transform unpleasant encounters into positive ones. Retailers should also encourage customer input and act on it, as this indicates responsiveness and dedication to improvement (Sin et al., 2005).

Limitations of Study

This study on marketing methods and customer happiness in grocery stores has some limitations that should be noted. First, the geographical concentration on urban Malaysian marketplaces may limit the findings' applicability to other countries or cultural situations (Malhotra, 2010). Second, relying on self-reported survey data introduces potential response

biases while failing to capture objective behavioral metrics (Podsakoff et al., 2003). Third, the cross-sectional design prevents the study of temporal variations in consumer satisfaction (Cook & Campbell, 1979). Furthermore, the study focused exclusively on traditional marketing components, ignoring developing aspects such as digital integration and sustainability (Hagberg et al., 2017; White et al., 2019). These constraints highlight the necessity for future research to incorporate larger geographical coverage, mixed-method designs, longitudinal techniques, and modern retail marketing features to provide more thorough insights into the determinants of consumer satisfaction.

Recommendation of Study

Future research on marketing strategies influencing customer satisfaction in grocery retail stores should look beyond the current single-state focus and include diverse geographical regions, particularly urban centres like Kuala Lumpur and Penang, to improve the generalizability of findings (Malhotra, 2010). Furthermore, research could benefit from looking at other retail sectors, such as e-commerce and healthcare, to see how marketing methods apply across industries (Lemon & Verhoef, 2016). Further research into supply chain management methods, such as strategic supplier alliances and customer relationship integration, would yield significant insights into how these factors affect organisational performance, financial outcomes, and customer satisfaction (Flynn et al., 2010). Such enhanced research would allow grocery merchants to create more complete, data-driven marketing strategies that improve competitiveness and goal achievement in an increasingly dynamic retail environment (Grewal et al., 2020).

Conclusion

This study concludes that product attributes and customer relationship management (CRM) are the most influential components of marketing strategies in driving customer satisfaction within grocery retail stores, as supported by significant beta coefficients ($\beta = 0.42$ and 0.31 , respectively, $p < 0.01$). These findings are similar to previous research by Grewal et al. (2020), which highlights that constant product quality and individualised involvement encourage long-term loyalty, and Kotler and Keller (2016) underline that outstanding product offers remain a key driver of consumer pleasure. Although pricing, promotions, and store environment have less direct impact, their importance in influencing perceived value should not be underestimated. In an ever-changing retail industry, grocery stores can significantly enhance customer satisfaction and competitive advantage by focusing on high-quality products and data-driven CRM techniques, such as loyalty programs and AI-powered recommendations. Future studies could explore the convergence of digital transformation (e.g., seamless omnichannel experiences) and sustainability activities as emerging satisfaction drivers in grocery retail.

Contribution

This study deepens understanding of customer satisfaction in grocery retail by integrating the Theory of Planned Behaviour (TPB) with key marketing components—product attributes, monetary value, promotion, store attributes, convenience, and CRM. Unlike prior research that examined these dimensions separately, this study presents a comprehensive model linking these elements to customer satisfaction, providing a holistic framework for future retail marketing studies.

This study confirms that product attributes and CRM strongly influence customer satisfaction, supporting theories like servicescape (Bitner, 1992) and relationship marketing (Barnes, 1994). It shows tangible factors (product quality, assortment) and relational factors (CRM interactions) jointly shape satisfaction in Malaysian groceries. This insight advances understanding of satisfaction in emerging markets with rapid digitalisation and competition.

Besides, this study offers grocery retailers strategic insights to boost customer satisfaction and loyalty. It shows that investing in product quality, freshness, and assortment improves retention, and recommends strengthening supplier relationships and quality control. Though less critical, pricing and promotions still influence perceived value, so retailers should focus on value communication rather than frequent discounts. These findings highlight the importance of customer-centric marketing for competitiveness in Malaysia's grocery sector.

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