Investigating the Solutions for Customers' Satisfaction of Rural Cooperatives Stores in Terms of Market Turmoil

Monuchehr Bababeik, Morad Alivand, Freidoon Salimi*, Hossein Soleimani
Department of Management, Malayer branch, Islamic Azad University, Malayer, Iran
*E-mail: freidoon.salimy@yahoo.com

Abstract

The present study aimed at investigating the solutions for customers' satisfaction of rural cooperatives stores in terms of market turmoil. Based on Cochran sample size formula, 385 individuals were chosen for this study. Sampling was randomly done from the customers of the rural consumption stores in the province of Lorestan. Data was collected through field method and "Construction Researcher" questionnaire. To measure the responses "5-point Likert scale" was used. The questionnaire validity was confirmed by the professors and its reliability was confirmed by Cronbach's alpha as 0.855. 213 respondents were male and 172 were female. At the beginning of data analysis, data fitting was confirmed. The researchers concluded that the availability of services, granting special privileges, fast service and providing free services significantly influence on customers' satisfaction in terms of market turmoil. But, the impact of accountability on customers' satisfaction was not confirmed.

Keywords: service, satisfaction, rural consumption stores.

Introduction

Today, with the advancement of technology and innovation in industry, the competitions between companies are getting intensified and unlike common traditional methods, instead of the market share, the customers' share is currently the key factor in investigating the companies' success. Now, in the global economy, the companies' survival is determined by their clients and it is proved by all companies that their customers are the most important assets of the companies, because their customers are the only source of return on investment (Morgan, 2009, as cited in He et al, 2011). In traditional marketing according to theory and practice, attracting new customers was emphasized, but now the emphasis has changed. Companies should attract new customers as well as keeping current customers. If companies want to maintain their current customers, customers' loyalty is required (Jay et al., 2008).

Statement of the problem

Today, with the advancement of technology and innovation in industry, the competitions between companies are getting intensified and unlike common traditional methods, instead of the market share the customers' share is currently the key factor in investigating the companies' success. Now, in the global economy, the companies' survival is determined by their clients and it is proved by all companies that their customers are the most important assets of the companies, because their customers are the only source of return on investment (Morgan, 2009, as cited in He et al, 2011). Customers' satisfaction is the key factor in the success of many organizations and in several studies the relationship between customers' satisfaction was mentioned with mouth communication, loyalty, repeating purchases and increasing the profitability of the organization. In service industries in which giving services require communication and interaction with customers, customers' satisfaction is based on their experience and interaction with the organizations. So, it is no wonder that companies spend considerable resources to measure and manage their customers' satisfaction. Economic enterprises should study the factors affecting customers' satisfaction and

their return to the company in order to improve customers' satisfaction and loyalty and determine their loyalty through providing situations which lead to their satisfaction. Full knowledge of the customers and their needs require close relationships with customers (Ranjbaran & Berari, 2009). At the end, the researcher wants to study the strategies of customers' satisfaction in terms of the market turmoil. The main research question is what causes the customers' satisfaction during the market turmoil.

Significance of the study

In the not so distant past, customers' satisfaction was regarded as a one-dimensional structure. In other words, it was thought that the more technical specifications of products lead to more customers' satisfaction. But experts and specialists have differently criticized this view. It is believed that meeting any requirements at large quantity does not imply a high level of customers' satisfaction; however, type of requirement has significant impact on this satisfaction. Organizations should try to spend their resources where they will have more impact on customers' satisfaction. Doctor Noryaki Kano presented his model with the perspective that the identification and classification of customers' needs and the areas for improvement should be identified and specifications and products development direction should be greatly shortened as well. In today's competitive environment, the customers are considered as an integral part of an organization. It can be certainly said that in new era customers are the center of structures and philosophy of any organizations. It is the customers that identify the quality and new era organizations should consider the quality based on customers' point of view. Today, the concept of quality does not mean to be coordinated with standards. In today's world, innovation and considering customers' satisfaction survive the existence of any organizations and the organization will be successful that moves through creativity and innovation in order to meet the needs of customers. But it should be seen how this innovation has organized in order to get high degree of effectiveness and efficiency.

Purposes of the study
Main purpose
- Investigating the strategies to attract customers' satisfaction during the market turmoil
Secondary purposes
- Identifying the impact of the availability of products / services on the customers' satisfaction of rural cooperatives stores in terms of market turmoil
- Identifying the impact of granting special privileges on the customers' satisfaction of rural cooperatives stores in terms of market turmoil
- Identifying the impact of the speed of services on the customers' satisfaction of rural cooperatives stores in terms of market turmoil
- Identifying the impact of accountability on the customers' satisfaction of rural cooperatives stores in terms of market turmoil
- Identifying the impact of free services on the customers' satisfaction of rural cooperatives stores in terms of market turmoil

Research hypotheses

H1: The availability of products / services has impact on the customers' satisfaction of rural cooperatives stores in terms of market turmoil.

H2: Granting special privileges has impact on the customers' satisfaction of rural cooperatives stores in terms of market turmoil.

H3: The speed of services has impact on the customers' satisfaction of rural cooperatives stores in terms of market turmoil.

H4: Accountability has impact on the customers' satisfaction of rural cooperatives stores in terms of market turmoil.

H5: Free services have impact on the customers' satisfaction of rural cooperatives stores in terms of market turmoil.

The concept of customers' satisfaction

Customers' satisfaction is the key factor in the success of many organizations and in several studies the relationship between customers' satisfaction was mentioned with word of mouth communication, loyalty, repeating purchases and increasing the profitability of the organization. In service industries in which giving services require communication and interaction with customers, customers' satisfaction is based on their experience and interaction with the organizations. So, it is no wonder that companies spend considerable resources to measure and manage their customers' satisfaction. Economic enterprises should study the factors affecting customers' satisfaction and their return to the company in order to improve customers' satisfaction and loyalty and determine their loyalty by providing situations leads to their satisfaction. Full knowledge of the customers and their needs require close relationships with customers (Ranjbaran & Berari, 2009). The organization with high customers' satisfaction and loyalty can maintain its survival and even when it was faced with difficult economic conditions or an unforeseen disaster could benefit (Fasihipour, 2006). It should be noted that customers trust organizations to meet their expectations and needs, so organizations should meet these expectations (Ranjbaran & Berari, 2009). In today's world, the principals of competition make the managers of organizations to consider increase in customers' satisfaction and reducing the costs of production as well as giving services with high quality. Studying and identifying the indices of customers' satisfaction and measuring them are important and organizations' failure or success is finally determined by the level of customers' satisfaction. Satisfied customers are the source of companies' earnings. The companies which cannot make their customers satisfied are not able to survive in the future. Providing superior quality products and providing excellent service to customers continually create competitive advantage for the company including the creation of barriers to competition, customer loyalty, producing differentiated products, reducing marketing costs and determining higher prices. Finally, there is the ethical thing which can be said about the quality that is customers pay us to meet their expectations so we are responsible for them. High satisfaction of customers is a form of insurance against company's possible errors which are inevitable to happen due to changes related to the services. Permanent customers facing such situations are more tolerant because of previous pleasant experiences; it is easy for them to overlook the little mistakes. Therefore, it is not surprising that attracting the customers' satisfaction is the most important task of the organizations and institutions.

Review of literature

Lynch and Chernatony (2007) on their study on customer satisfaction expressed that all customers are not loyal solely to receive satisfactory services but some of them become loyal because they do not want to bother themselves by transferring to other suppliers. Robert (1998, as cited in Pugh, 2011) presented some reasons such as understanding greater benefits more than the opponents or lack of confidence to the suppliers in providing services with high quality in the future to complete lack of correlation between satisfaction and loyalty. Didis et al. (2003, as cited in Leek and Christodoulides, 2011) indicated that the relationship between satisfaction and behavioral loyalty is not linear and has two critical threshold levels. Esfandiari (2011) studied the relationship between making customers happy and their loyalty. The results of this study showed to have loyal customers, organizations should not only rely on customers' satisfaction but today the customers who receive performance and permission more than their expectations from the organizations will

be loyal customers to the organization. Dahdashti et al. (2010) studied the relationship between the reliability of the brand and customers loyalty. The results showed that the reliability is very important and plays key role in improving customers' behavioral tendencies.

Methodology

Table 1. Methodology

Tools to collect data	Sampling method	Statistical sampling	Statistical population	Data analysis method	Methodology	
					Kind of data	Goal
Questionnaire	randomly Sampling	385 individuals	customers of the rural consumption stores in the province of Lorestan	Correlation	Qualitative	Functional

Inferential analysis of the research

Structural equation modeling by using LISREL software was used to gather inferential statistics and test hypotheses. This approach gives a new vision of the multiple regressions to the researcher. In order to use LISREL techniques properly, simple programming was used.

Fitting model

Table 2. The obtained fitting indices

Explanation	The calculated	Index
As it is close to zero, it confirms the fitting.	0.007	RMR
As it is more than 0.9 and less than 1, it confirms the fitting.	0.98	GFI
As it is more than 0.9 and less than 1, it confirms the fitting.	0.91	AGFI
As it is less than 0.1, it confirms the fitting.	0.06	RMSEA
As it is more than 0.9, it confirms the fitting.	0.92	NFI
As it is more than 0.9, it confirms the fitting.	0.95	CFI

Result: Since the results confirm all fitting criteria, so the general fitting of the model related to the raised questions is confirmed.

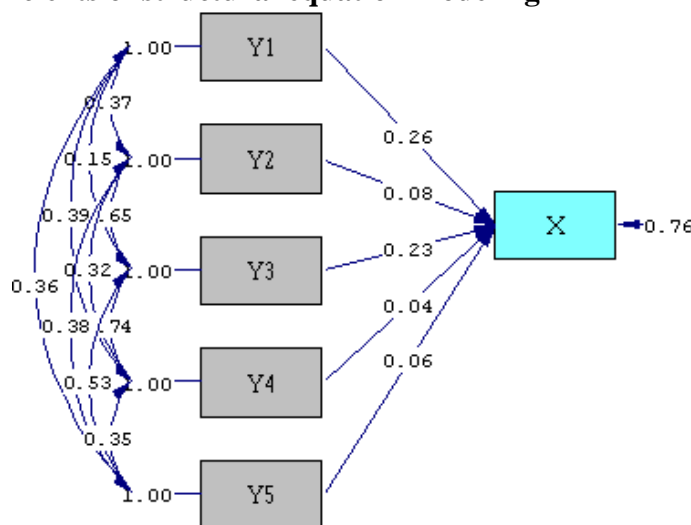### Standard coefficients of structural equation modeling

Figure 1. Coefficients of structural equation modeling

Conclusion

Statistical analysis of first research hypothesis

The availability of products / services has impact on the customers' satisfaction of rural cooperatives stores in terms of market turmoil. The relationship between the variables of availability of products / services and customers' satisfaction is discussed in this part. So, the relationship between the two endogenous latent variables will be examined.

Table 3. The value of the test statistic T and γ coefficients for the first hypothesis

γ	Standard error	The value of the test statistic T
0.26	0.032	10.55

Results: Since the value of the test statistic (10.55) is more than the t (1.96), so the null hypothesis is rejected and first hypothesis is confirmed. It means there is a significant relationship between the variables of the availability of products / services and customers' satisfaction. γ Coefficient represents a direct and positive relationship between the two variables. In other words, for every one percent change in the availability of products / services %26 customers' satisfaction will change. The results indicated a significant relationship between the variables of the availability of products / services and customers' satisfaction of rural cooperatives stores in terms of market turmoil with the error level of %5.

Statistical analysis of second research hypothesis

Granting special privileges has impact on the customers' satisfaction of rural cooperatives stores in terms of market turmoil. The relationship between the variables of granting special privileges and customers' satisfaction is discussed in this part. So, the relationship between the two endogenous latent variables will be evaluated.

Table 4. The value of the test statistic T and γ coefficients for the second hypothesis

γ	Standard error	The value of the test statistic T
0.08	0.041	2.77

Results: The value of the test statistic (2.77) is more than the t (1.96), so the null hypothesis is rejected and the second hypothesis is verified. Namely, there is a significant relationship between the variables of granting special privileges and customers' satisfaction. γ Coefficient indicates a direct and positive relationship between the two variables. In other words, for every one percent change in the granting special privileges% 8 customers' satisfactions will change. The results showed that there is a significant relationship between the variables of the granting special privileges and customers' satisfaction of rural cooperatives stores in terms of market turmoil with the error level of %5.

Statistical analysis of third research hypothesis

The speed of services has impact on the customers' satisfaction of rural cooperatives stores in terms of market turmoil. The relationship between the variables of the speed of services and customers' satisfaction is discussed in this part. So, the relationship between the two endogenous latent variables will be assessed.

Table 5. The value of the test statistic T and γ coefficients for the third hypothesis

γ	Standard error	The value of the test statistic T
0.23	0.204	5.17

Results: The value of the test statistic (5.17) is more than the t (1.96). Therefore, the null hypothesis is rejected and third hypothesis is confirmed. It means there is a significant relationship

between the speed of services and customers' satisfaction. γ Coefficient represents a direct and positive relationship between the two variables. In other words, for every one percent change in the granting special privileges, %23 customers' satisfactions will change. Therefore, there is a significant relationship between the variables of the speed of services and customers' satisfaction of rural cooperatives stores in terms of market turmoil with the error level of %5.

Statistical analysis of fourth research hypothesis

Accountability has impact on the customers' satisfaction of rural cooperatives stores in terms of market turmoil. The relationship between the variables of   accountability and customers' satisfaction is discussed in this part. Thus, the relationship between the two endogenous latent variables will be examined.

Table 6. The value of the test statistic T and γ coefficients for the fourth hypothesis

Γ	Standard error	The value of the test statistic T
0.04	0.071	1.14

Results: Since the value of the test statistic (1.14) is less than the t (1.96), so the null hypothesis is accepted and fourth hypothesis is rejected. It means that there is not a significant relationship between accountability and customers' satisfaction. The results demonstrated no significant relationship between the variables of accountability and customers' satisfaction of rural cooperatives stores in terms of market turmoil with the error level of %5.

Statistical analysis of fifth research hypothesis

Free services have impact on the customers' satisfaction of rural cooperatives stores in terms of market turmoil. The relationship between the variables of   free services and customers' satisfaction is discussed in this part. Therefore, the relationship between the two endogenous latent variables will be examined.

Table 7. The value of the test statistic T and γ coefficients for the fifth hypothesis

Γ	Standard error	The value of the test statistic T
0.06	0.140	2.88

Results: The value of the test statistic (2.88) is more than the t (1.96). Thus, the null hypothesis is rejected and the fifth hypothesis is confirmed. It means that there is a significant relationship between free services and customers' satisfaction. γ Coefficient represents a direct and positive relationship between the two variables. In other words, for every one percent change in the granting special privileges %6 customers' satisfactions will change. The results confirmed a significant relationship between the variables of free services and customers' satisfaction of rural cooperatives stores in terms of market turmoil with the error level of %5.

Recommendations of the study

Selecting stores locations: one of the most important factors in generating customers' satisfaction and its continuity is selecting stores locations for consumers' better accessibility. In this field, many cases should be considered. First, it is better to place the stores in the best parts because of its availability to the majority of the members. Second, different factors such as safety its vicinity to other welfare centers or bakery should be considered. Third, cars could go there to unload the goods in front of it easily.

Type and capacity of the building: places considered for stores should be suitable with stores in terms of type of building.

Sharing the individuals in the cooperatives: Because consumer cooperative stores owned by all members of the cooperative, the customers are primarily members. Therefore, the number of the members of the company and the probability of increasing the number of members in the neighboring villages should be considered.

Selecting goods: selecting goods for rural cooperatives consumption stores should be regional because people are living in different parts of the country with their own traditions. Therefore, the selection of goods for rural cooperatives consumption stores provided through the Central Union of consumer cooperatives or provincial and county unions, should mention the above subject.

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