A STUDY ON THE IMPACT OF SITUATIONAL AND CUSTOMER MODERATORS ON THE DETERMINANTS OF CUSTOMER EXPERIENCE AMONG SUPERMARKET SHOPPERS IN SAUDI ARABIA

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ABSTRACT

The major objectives of the study is to determine the impact of situational moderator namely location and customer moderators such as goal and involvement on the determinants of customer experience namely social environment, retail atmosphere, price and past experience among supermarket shoppers in Saudi Arabia. Convenient sampling was adopted for the purpose of the study. The collected data were coded in an SPSS spreadsheet and a simple statistical analysis such as One-way ANOVA, Linear regression and multiple regressions for better outcome.

It has been established that there exists a significant interaction effect of location and retail atmosphere on customer experience for a supermarket. Hence, a favourable location can camouflage even the negative effects of a dull retail atmosphere of the supermarket. The interaction effect of goal and price on customer experience for a supermarket as hypothesized in H2A2C (F(3,300) =0.907, p<0.1) was supported. It can be seen that when goal of the customer is experiential it increases the customer experience when price is high. Further it was established that. Significant interaction effect exists among involvement with retail atmosphere, price and past experience. Hence hypotheses H1A2B, H2A2C, H3A2B, H3A2C and H3A2D were supported for the purpose of the study. Finally a complete understanding of the various moderators and determinants that are used in this study would enable the retailers in Saudi Arabia to create a memorable experience among the supermarket customer while visiting their outlets.

Key Words: Situational moderator, Customer moderator, Involvement, Goal, Location, Supermarket.

INTRODUCTION

Saudi Arabia is a major global pilgrimage destination but a growing number of pilgrims to the country also take time to enjoy days out at the country’s increasingly famous shopping malls and supermarkets. Again impact of social media especially Face book, Whasup and Twitter on the marketing/promotion campaign of supermarkets and hypermarkets are highly significant in Saudi Arabia. Retailing performance in Saudi Arabia in 2016-17 was very good, with growth being driven by a number of positive factors. Chief among these growth factors were economic growth and retail landscape development. The strong investment in the country’s retail landscape, particularly in the form of shopping malls in KSA also supports retail growth. This encouraged a marked shift from traditional to modern retailers and boosted retailing in general.

The transformation of the retail store begins with a deep understanding of the customer and a strategy to personalize the experience at every point of interaction. The most appropriate technologies should be leveraged to enhance the experience in both the physical store and the digital world. This is true with Panda Supermarket. Hence this study is focused on the impact of situational and customer moderators on the determinants of customer experience in Supermarket in Saudi Arabia.

1.0 ABOUT THE STUDY

A supermarket is defined as a form of self-service grocery store, offering a wide variety of food and household merchandise, organized into departments which are larger in size and has a wider selection than a traditional grocery store. The theoretical framework, or the conceptual basis, leading to the development of this study is based upon the Conceptual Model of Customer Experience Creation developed by Verhoef et al (2009). There are several determinants or elements of the customer experience among supermarket shoppers in Saudi Arabia which, including social environment, service interface, retail atmosphere, and previous customer experience (S Shamsudeen 2017).

Verhoef model have proposed that there are many situational and consumer moderators. In this research the impact of situational moderator namely location and consumer moderators namely goal and involvement on the determinants of customer experience among supermarket shoppers in Saudi Arabia is considered.

A convenience orientation is a key benefit that shoppers seek in the modern environment. Consumers’ perceptions of convenience (e.g., opening hours, location, and parking) will have a positive influence on their satisfaction with the service (Berry et al 2002). Consumers’ perceived expenditure of time and effort interacts to influence their perceptions of service convenience, and retail facilities are designed to affect those time and effort perceptions. For example, a central location can reduce the transaction costs associated with shopping (e.g., transportation cost, time spent).
Virtually all models of retail competition and shopping behavior specify store patronage as a function of the distance from the store to the shopper’s home. Model includes a measure of distance in the form of travel time, which is operationalised as the time in minutes it takes to travel from the household to the nearest store of a given chain.

The underlying assumption is that the shopper travels from home to the closest store of the selected chain, and then returns home. In reality, shoppers may reduce their travel time by linking shopping trips together or combining store visits with other required travel. “Trip chaining,” as this practice is called (Thill and Thomas 1987), results in shoppers requiring less than the measured travel time to make a store visit and possibly shopping more than expected at distant stores.

Retail location theory indicates that consumers prefer to shop as close to home as possible, all other things being equal (Thompson 1967). The extent to which consumers are willing to travel to a shopping centre outside the local trading area, then, is inversely related to the extent to which the local shopping centres fulfill their shopping needs (Hozier and Stem 1985).

Previous research found that two fundamental motivational orientations were behind the different shopping motives. The first motivational orientation (e.g., economic, utilitarian) involves consumers engaging in shopping out of necessity to obtain needed products, services, or information with little or no inherent satisfaction derived from the shopping activity itself. This motivational orientation is referred to as the “task-oriented motivational orientation.”

The other motivational orientation (e.g., recreational, hedonic) describes consumers engaging in shopping to derive inherent satisfaction from the shopping activity itself. The shopping activity is freely chosen, without any need to engage in it. This motivational orientation is referred to as the “recreational motivational orientation.” The two fundamental motivational orientations identified in the shopping behavior literature are consistent with the fundamental motivational orientations identified in psychology (Apter 1982). The moderating effect of motivational orientation was studied based on the shopping behaviour of the customers by Milliman (1982). The study found that motivation decreased purchasing intentions and spending in supermarkets.

Richins and Bloch (1983, 1986) indicate that involvement may be either situational (temporary) or enduring (lasting). A consumption experience may have temporal importance due to the situation (i.e., situational involvement), as when an individual must make an expensive purchase such as a personal computer. The object of the consumption experience may also be the subject of an individual’s interest (i.e., enduring involvement) who willingly devotes considerable time and energy relative to shopping.

Some individuals may have an enduring involvement with shopping. Such individuals may receive hedonic pleasure directly from the time spent exploring the shopping environment, while others may visit a shopping centre to perform a shopping plan and exit (Babin et al 1994). The recreational shopper, compared to the economic shopper, also spends more time shopping on an average trip and is more likely to continue to shop after making a purchase (Bellenger et al 1977). Therefore, individuals who are more interested in shopping are inclined to spend more time doing what they enjoy. Conversely, the individuals who do not like shopping will want to leave the mall as soon as possible (i.e., after making a purchase decision).

If involvement is higher, customers take more notice of the retail firm’s communications and can thus form an opinion more easily (Chandrashekaran and Grewal 2003). On the other hand, customers with low involvement only perceive a firm’s communications subliminally or to a limited extent because, that is they are less interested in the retailer or the retail sector concerned and what it has to offer.

The phrase ‘positive customer experience” has become a slogan for companies large and small in their never-ending efforts to attract and retain business. The reason is obvious: a positive customer experience is a marketplace differential for any company seeking to distinguish itself from competitors. This is also true for the largest retailer Panda Supermarket in KSA.

In a holistic approach to customer experiences, it is critical to recognize that a customer experience is not limited to the customer’s interaction in the store alone. Rather it is impacted by a combination of experiences which evolve over time, including search, purchase, consumption and after-sales phases of the experience (Shahajahan S 2005). In the present study a comprehensive model is used to investigate the effect of the situational and customer moderators on the determinants of customer experience among supermarket shoppers in Saudi Arabia.

Understanding and recognizing the importance of moderators on the determinants of customer experience among Supermarket shoppers is essential to withstand in this highly competitive and ever changing retail environment in Jizan. Knowledge of the various moderators on the determinants of customer experience will give the Supermarket an edge over the competitors. The present research was carried out to analyze the role of situational moderator namely location and consumer moderators namely goal and involvement on the determinants of customer experience in Supermarket in Saudi Arabia.

a. Relationship between the various situational and customer moderators on the determinants of customer experience among supermarket shoppers

In order to study the relationship among various situational and customer moderators on the determinants of the customer experience in Super market, multi-item scales were used. A multi-item scale consists of a number of ratings combined into a single value. Multi-item 103 scales are used to represent...
complex psychological constructs that can’t be summarized in a single question. Multi-item measures are more reliable and less volatile than single-item questions. As a result of this increased stability, multi-item scales make excellent benchmarks (Henning 2009).

The internal consistency of the scale items is an important test of reliability. Reliability test is used to assess the internal consistency of summated scale where several items are summated to form total score. One measure of internal consistency is Cronbach alpha. Cronbach’s alpha accounts for all possible two-way splits (Nunnally 1967 & Shajahan 2012). The Cronbach alpha < 0.6 indicates poor reliability (Malhotra and Birks 2007). The Cronbach alpha > 0.7 indicates more reliability (Nunnally & Berstein 1994). Table 1 gives the Cronbach alpha values for the constructs. It seen that the values are in the range 0.706 to 0.896 which indicate that the instruments are reliable.

<table>
<thead>
<tr>
<th>Sl no</th>
<th>Variable</th>
<th>Cronbach alpha</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Social Environment</td>
<td>0.896</td>
</tr>
<tr>
<td>2</td>
<td>Service Interface</td>
<td>0.706</td>
</tr>
<tr>
<td>3</td>
<td>Retail Atmosphere</td>
<td>0.785</td>
</tr>
<tr>
<td>4</td>
<td>Assortment</td>
<td>0.883</td>
</tr>
<tr>
<td>5</td>
<td>Price</td>
<td>0.892</td>
</tr>
<tr>
<td>6</td>
<td>Previous Experience</td>
<td>0.796</td>
</tr>
</tbody>
</table>

Source: Sample Survey 2016

b. Significance of the study
Customer experience is a recent phenomenon in Arab market and there are not much studies focusing on this and it remains a fairly an underexplored area. Organized retailing is gaining a lot of importance since many large players are keen to setup their footprints in Middle East. This study can make a significant contribution to understand the impact of situational and customer moderators on the determinants of customer experience in the Middle East context.

The purpose of the study is to understand the impact of situational and customer moderators on the determinants of customer experience for the Supermarket. Intense competition among the retailers offers a wide array of choices for the customer and hence there arises a need for studying the impact of moderators on the determinants of customer experience through which Supermarket can provide a superior customer experience thereby differentiating them self from the competitors.

Obtaining and sustaining a competitive advantage in retailing, specifically in Saudi retail environment today sets the challenge to determine one thing that will differentiate Panda Supermarket from another. Retail establishments worldwide are trying to find that sustainable competitive advantage and it currently seems possible by strategically focusing on customer experience and the impact of various moderators on the determinants of customers among Supermarket shoppers.

c. Problem statement
Despite the recognition of the importance of customer experience by practitioners, the academic marketing literature investigating this topic has been limited. Only a limited number of articles explore customer experience in depth from a theoretical perspective. Gentile, Spiller and Noci (2007) empirically investigated the specific role of different experiential features in the success achieved by well-known products. Novak, Hoffman, and Yung (2000) investigated the impact of website design on the customer’s experience. The scarcity of scholarly research on the impact of situational and customer moderators on the determinants of customer experience calls for a theory-based framework to examine customer experience holistically. The research problem, therefore, is to understand the importance of situational and customer moderators on the determinants of customer experience among supermarket shoppers in Saudi Arabia.

d. Research questions
The following questions were formulated for the purpose of research:

1. Do situational moderator such as Location influence customer experience while shopping in the supermarket?
2. Do customer moderators such as Involvement and Goal influence customer experience while shopping in the supermarket?
3. What is the interactive relationship between each of the moderators and determinants of customer experience?
4. Is there a variation in the influence of the stated moderators on the customer experience in the chosen retail format namely Supermarket?

This study will, therefore, describe and analyze the impact of situational and customer moderators on the determinants of customer experience among Supermarket shoppers in Saudi Arabia.

e. Research objectives
Based on the research questions the following objectives are formulated.

1. To understand the demographic characteristics of the supermarket customers
2. To measure the experience of the supermarket customers
3. To find out impact of situational moderator Location on the determinants of customer’s experience among supermarket shoppers
4. To find out whether there is any significant impact of customer moderators such as Involvement and Goal on the determinants of customer’s experience among supermarket shoppers
5. To suggest measures to improve customer experience for chosen retail format namely supermarket in the Saudi Arabian context.

f. Scope of the study
The current study focuses exclusively on the organized retailing sector in KSA. The study is confined to the modern retail store format namely supermarket. The focus of the study was around Panda supermarket stores. The population of the study was confined only to present and past customers of Panda supermarket stores in Jizan. The study is carried out in Jizan, which is one of the fast developing retail hubs of KSA during 2016-20.

2.0 DEFINITION OF VARIABLES AND MAKING OF HYPOTHESIS
The definitions of the moderators and determinants used in the study are given below:

a. Location The law of retail gravitation (Reilly 1931) suggests that the potential attraction of a shopping centre should be assumed to be inversely proportional to the driving time from a shopper’s home to the centre. A central location can reduce the transaction costs associated with shopping (e.g., transportation cost, time spent) and enhance customer experience. Based on the relationship between location and customer experience the following hypothesis is formulated:

H1A1: Location significantly influences customer experience.

H1A2: Location moderates the effect of the determinants on customer experience.

This hypothesis is tested for the supermarkets

b. Goal The first motivational orientation (task oriented) involves consumers engaging in shopping out of necessity to obtain required products, services, or information with little or no inherent satisfaction derived from the shopping activity itself. The other motivational orientation (experiential oriented) describes consumers engaging in shopping to derive inherent satisfaction from the shopping activity itself. In this case, the shopping activity is wholeheartedly chosen, and there is no need to engage in it. Based on the relationship between goal and customer experience the following hypothesis is formulated:

H2A1: Goal significantly influences customer experience.

H2A2: Goal moderates the effect of the determinants on customer experience.

This hypothesis is tested for the supermarkets

c. Involvement Zaichkowsky (1985) refers to involvement as an individual’s "perceived relevance of an object based on inherent needs, values, and interests." According to Lin (2010) there is a positive correlation between the customers’ involvement levels and experience values. Consumers with high involvement are more receptive to stimuli and information from the store environment. Based on the relationship between involvement and customer experience the following hypothesis is formulated:

H3A1: Involvement significantly influences customer experience.

H3A2: Involvement moderates the effect of the determinants on customer experience.

This hypothesis is tested for the supermarkets

d. Social environment The social environment refers to how customers interact with their family, friends or other customers. A better social environment leads to a positive customer experience. In this research social environment is measured in terms of reference groups, customer to customer interaction and crowding (Shajahan S 2011). The previous research study conducted by the author proved that social environment influences customer experience among supermarket shoppers in Saudi Arabia (S Shamsudeen 2017).

e. Retail atmosphere The atmosphere of the retailer can have a significant impact on the experience of the grocery and electronic customer. The retail atmosphere is measured in terms of design, temperature and music. According to a study by Ailawadi and Keller (2004) colour, music, and design influence intention to patronize a retail store and how much time and money is spent in the retail unit. The previous research study conducted by the author proved that retail atmosphere influences customer experience among supermarket shoppers in Saudi Arabia (S Shamsudeen 2017).

f. Price By the definition of Verhoef et al (2009) the factor of price in the concept of customer experience is defined by the way customers perceive loyalty programmes and discount policies. The previous research study conducted by the author proved that an excellent service interface would impact customer experience positively (S Shamsudeen 2017). Relationship marketing tactics, such as loyalty programs, company credit cards, and e-mail promotions are becoming increasingly popular. Benefits offered to a customer for engaging in relational exchanges include price decreases, special offers, personalized attention, and customized products (Noble and Phillips 2004).

g. Past experience According to Velazquez et al (2010), customers with a positive experience of the product or service at a previous instant are more committed to the grocery and electronic retailer. The previous research study conducted by the author proved that past experience influences customer experience among supermarket shoppers in Saudi Arabia (S Shamsudeen 2017). Experience at the previous instant helps the customer to understand the retailer and form an opinion which impacts the current situation.
3.0 RESEARCH PROCESS
Primary data were obtained from retail customers who visited the chosen retail store by means of administering the structured questionnaire. The survey questionnaire consists of two parts: part-A and part-B. Part-A consists of questions connected to respondent’s socio-economic and demographic profile. The responses are measured using nominal scales. Part- B consists of the items for customer experience, each dimension of the determinants and the moderators. All items are measured on 5-point Likert scale (5 “strongly agree” to 1 “strongly disagree”).

Testing of the preliminary questionnaire was carried out in September 2016 using convenience sample of 30 respondents. The internal consistency of the instrument was tested through reliability analysis using Cronbach’s alpha. All reliability results were in the range 0.70 to 0.92 which exceeds 0.70 limit of acceptability. The respondents who were part of the pilot study did not participate in the final survey.

The population to be considered for this study consists of all Jizan customers between the age group of 19 and 60, who have shopped in supermarket within six month for the purpose of the study. Therefore, the population can be defined as active retail shoppers. Respondent for the study is a person who does shopping in the Panda supermarket chosen for the purpose of the study.

Convenience sampling, a method of non probability sampling is opted for this particular study. The respondents were approached at their home and asked to complete the questionnaire. The main survey was carried out with 350 respondents and 300questionnaires were found to be complete after applying Outliers. Final data collection was done in the month of October and November 2016. A Household survey was conducted across Jizan. The respondents approached at their homes and were asked to complete the questionnaire. Sufficient time was given and the completed questionnaire was collected at a convenient date/time as specified by the respondent.

Data that have to be collected from the retail customers are divided into two sections – data regarding the demographic profile of the respondents and data regarding the influence of the various determinants on customer experience.

The collected data were coded in an SPSS spreadsheet and a simple statistical analysis such as frequency distribution and percentage was carried out along with multiple regression models. SPSS-16 was used for the analysis of data. Reliability, the degree of consistency between multiple measures of a particular construct is tested using Cronbach’s alpha coefficient. Large tolerance values and variance inflation factors were observed, indicating no issues with multi-collinearity (Hair et al 2006 & Shajahan S 2011).

a. Different multivariate statistical techniques are used to test the proposed hypotheses.
To examine the general characteristics of the customers one-way ANOVA was used. Analysis of variance is applied to test the equality of three or more sample means and thus make inferences as to whether the samples come from populations having the same mean (Shajahan S 2011).

(i) Linear Regression using the step wise method was used. Significance tests and Beta estimates were used to evaluate the magnitude and direction of the effect(s) of each of the determinants and the customer experience for the various retail formats (Shajahan S 2012).

(ii) Multiple regressions were used to test the relationship between dependent and independent variables and to check for the significance of the factors and the causal paths (Shajahan S 2012).

4.0 LIMITATIONS OF THE STUDY
Limitation of this study is the non-probability sampling technique used to collect data from the respondents. Usage of a non-probability sample compromises the external validity of a study to a large extent. Therefore, it is advisable to repeat this study with a probability sampling technique. The period of the study was only 8 weeks and with limited resources at disposal of the researchers also considered as one of the limitations. Only Saudi nationals participated in the survey and no expats were included in the sample population.

5.0 DATA ANALYSIS AND INTERPRETATION
Following three subsections describes various analyses with research implications

5.1DEMOGRAPHIC PROFILE OF THE RESPONDENTS
Gender wise, majority of the respondents were males (85%). A majority of the respondents were between the age group of 19-29 years (50%). Married respondents were more when compared to the other categories (65%). Respondents were reasonably educated since majority of them were diploma holders, graduates and above (70%).

It is implied from the figure-1 given below that respondents with monthly income upto SAR 10,000 dominated the sample with 35 per cent followed by respondents with SAR 10,001-20,000 (25 %). So Middle income groups with annual income of upto SAR240,000 dominated the sample.
As seen in the figure-1 above, a majority of the respondents were drawing a salary of nearly SAR 10,000 per month (35%). Majority of the families (70%) had more than two earning members showing that the disposable income has increased. In the occupation category, majority of the respondents were employees in Government organizations (60%).

It is implied from the figure-2 given below that respondents with family size more than 6 members dominated the sample with 53 per cent followed by respondents with family size up to 6 members (47%).

5.2 CONSUMER DEMOGRAPHICS AND SHOPPING HABITS
Male and female customers predominantly visit branded retail stores, general supermarkets, hypermarkets and malls. Customers mainly in the age group of 30-59 years visit supermarkets and are married. They are relatively educated and belong to the middle class income SAR 240,000 per year, with double income in a joint family setup.

Customers are employed mainly in Government organization with many of them visiting these formats at least once a week. The period of association with the supermarket is longer (mainly nine months – 15 years). They prefer shopping with their friends and family members whenever it is necessary and usually spend nearly three hours at the outlets and food joints during weekends.

5.3 RELATIONSHIP BETWEEN THE SITUATIONAL AND CUSTOMER MODERATORS ON THE DETERMINANTS OF CUSTOMER EXPERIENCE
The regression model and its related β estimates as shown in Table 2 given below indicate that social environment, retail atmosphere, price and past experience play a major role in creating a superior customer experience among supermarket shoppers in Saudi Arabia. (S Shamsudeen 2017).

The regression equation for determining customer experience of supermarket shoppers was estimated by the author through the previous research is stated as

\[
CE = 0.48 + 0.17 SE + 0.32 RA + 0.15 PR + 0.28 PE
\]

Where CE is Customer Experience, SE is Social Environment, RA is Retail Atmosphere, and PR is Price and PE is Previous Experience.

Supermarkets are the dominant format of organized retailing with a number of retailers operating in the Saudi retail environment. Thus competition is tough between the different players. Focusing on customer experience can give an edge to the retailer. Social environment, retail atmosphere, price and past experience are the significant antecedents of customer experience for the supermarket shoppers in Saudi Arabia.

It is important to be noticed in Saudi Arabia that service interface and assortments never considered important determinants in their shopping experience. This is because of Saudi Arabian law brings a lot of restriction while serving
family and female customers in retail outlets by the male staff. Also assortments are more or less similar or with narrow variations in exotic fruits and vegetables across all supermarkets. This is very unique when compared to rest of the retail outlets globally.

a. Impact of moderators on the determinants
Moderator models are used to examine when an independent variable influences a dependent variable. That is, moderated models are used to identify factors that change the relationship between independent and dependent variables. General linear method was performed on customer experience, the determinants and the moderator. The moderating effects of the situation moderator namely location on the various determinants namely the social environment, retail atmosphere, assortment and past experience were studied in detail.

(i) LOCATION
The moderating effects of the situation moderator namely location on the various determinants namely the social environment, retail atmosphere, price and past experience are tested for supermarket. The main and interaction effect of location and determinants on customer experience was tested

H1A1: Location significantly influences customer experience in the case of supermarkets.

H1A2: Location moderates the effect of the determinants on customer experience for supermarkets.

H1A2A: Location moderates the effect of the social environment on customer experience for supermarkets.

H1A2B: Location moderates the effect of the retail atmosphere on customer experience for supermarkets.

H1A2C: Location moderates the effect of the price on customer experience for supermarkets

H1A2D: Location moderates the effect of the past experience on customer experience for supermarkets

As hypothesized the main effect of location on customer experience (F(3,300)=0.875, p>0.01) was not supported. The interaction effect of location and social environment on customer experience for a supermarket as hypothesized in H1A2B (F(3,300)=1.067, p<0.01) was supported (Table 4).

<table>
<thead>
<tr>
<th>Source</th>
<th>Type III Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Location</td>
<td>0.034</td>
<td>1</td>
<td>0.034</td>
<td>0.875</td>
<td>0.771</td>
</tr>
<tr>
<td>Retail Atmosphere</td>
<td>56.082</td>
<td>1</td>
<td>56.082</td>
<td>140.304</td>
<td>0.000</td>
</tr>
<tr>
<td>Location X Retail Atmosphere</td>
<td>2.186</td>
<td>1</td>
<td>2.186</td>
<td>1.067</td>
<td>1.086</td>
</tr>
</tbody>
</table>

R square = 0.562 and Adjusted R square = 0.557

Source: Sample Survey 2016

From the Figure 3 given below, it can be seen that a favourable location increases customer experience when atmosphere is high. Favourable location enhances customer experience when atmosphere is low. Thus it can be seen that regardless of the atmosphere in the supermarket, a favourable location significantly increases customer experience. A convenience orientation is a key benefit that shoppers seek in the modern environment. Consumers’ perceptions of convenience (e.g., opening hours, location, and parking) will have a positive influence on their satisfaction with the service (Berry et al 2002). Therefore, a favourable location can camouflage even the negative effects of a dull atmosphere of the retail outlet.
As hypothesized the main effect of location on customer experience (F (3,300) =0.562, p>0.01) was not supported. The interaction effect of location and price on customer experience for a supermarket as hypothesized in H1A2C (F (3,300) =0.729, p>0.01) was not supported (Table 5).

**TABLE 5 TWO WAY ANOVA OF LOCATION AND PRICE ON CUSTOMER EXPERIENCE FOR SUPERMARKETS**

<table>
<thead>
<tr>
<th>Source</th>
<th>Type III Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
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</thead>
<tbody>
<tr>
<td>Location</td>
<td>0.076</td>
<td>1</td>
<td>0.076</td>
<td><strong>0.562</strong></td>
<td>0.488</td>
</tr>
<tr>
<td>Price</td>
<td>44.373</td>
<td>1</td>
<td>44.373</td>
<td>94.660</td>
<td>0.000</td>
</tr>
<tr>
<td>Location X Price</td>
<td>0.342</td>
<td>1</td>
<td>0.342</td>
<td><strong>0.729</strong></td>
<td>0.394</td>
</tr>
</tbody>
</table>

R square = 0.487 and Adjusted R square = 0.481  
*Source: Sample Survey 2016*

As hypothesized the main effect of location on past experience (F (3,300) =0.717, p>0.01) was not supported. The interaction effect of location and past experience on customer experience for a supermarket as hypothesized in H1A2D (F (3,300) =0.752, p>0.01) was not supported (Table 6).

**TABLE 6 TWO WAY ANOVA OF LOCATION AND PAST EXPERIENCE ON CUSTOMER EXPERIENCE FOR SUPERMARKETS**

<table>
<thead>
<tr>
<th>Source</th>
<th>Type III Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Location</td>
<td>0.515</td>
<td>1</td>
<td>0.515</td>
<td><strong>0.717</strong></td>
<td>0.473</td>
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<tr>
<td>Past Experience</td>
<td>61.805</td>
<td>1</td>
<td>61.805</td>
<td>101.538</td>
<td>0.000</td>
</tr>
<tr>
<td>Location X Past Experience</td>
<td>0.292</td>
<td>1</td>
<td>0.292</td>
<td><strong>0.752</strong></td>
<td>0.597</td>
</tr>
</tbody>
</table>

R square = 0.534 and Adjusted R square = 0.526  
*Source: Sample Survey 2016*

(ii) GOAL

The moderating effects of the goal of the customer (whether the customer is experientially oriented or task oriented) on the various determinants namely the social environment, retail atmosphere, price and past experience are tested for supermarket. The main and interaction effect of Goal and determinants on customer experience was tested

H2A1 : Goal significantly influences customer experience in the case of supermarkets.

H2A2 : Goal moderates the effect of the determinants on customer experience for supermarkets.

H2A2A : Goal moderates the effect of the social environment on customer experience for supermarkets.

H2A2B : Goal moderates the effect of the retail atmosphere on customer experience for supermarkets.

H2A2C : Goal moderates the effect of the price on customer experience for supermarkets

H2A2D : Goal moderates the effect of the past experience on customer experience for supermarkets

As hypothesized the main effect of goal on customer experience (F (3,300) =0.436, p>0.01) was not supported. The interaction effect of goal and social environment on customer experience for a supermarket as hypothesized in H2A2A (F (3,300) =0.147, p>0.01) was not supported (Table 7).

**TABLE 7 TWO WAY ANOVA OF GOAL AND SOCIAL ENVIRONMENT ON CUSTOMER EXPERIENCE FOR SUPERMARKETS**

<table>
<thead>
<tr>
<th>Source</th>
<th>Type III Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Goal</td>
<td>0.072</td>
<td>1</td>
<td>0.072</td>
<td><strong>0.436</strong></td>
<td>0.312</td>
</tr>
<tr>
<td>Social Environment</td>
<td>60.593</td>
<td>1</td>
<td>60.593</td>
<td>114.200</td>
<td>0.000</td>
</tr>
<tr>
<td>Goal X Social Environment</td>
<td>0.078</td>
<td>1</td>
<td>0.078</td>
<td><strong>0.147</strong></td>
<td>0.102</td>
</tr>
</tbody>
</table>

R square = 0.419 and Adjusted R square = 0.412  
*Source: Sample Survey 2016*

As hypothesized the main effect of goal on customer experience (F (3,300) =1.277, p>0.01) was not supported. The interaction effect of goal and retail atmosphere on customer experience for a supermarket as hypothesized in H2A2B (F (3,300) =1.036, p>0.01) was not supported (Table 8).

**TABLE 8 TWO WAY ANOVA OF GOAL AND RETAIL ATMOSPHERE ON CUSTOMER EXPERIENCE FOR SUPERMARKETS**

<table>
<thead>
<tr>
<th>Source</th>
<th>Type III Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Goal</td>
<td>0.584</td>
<td>1</td>
<td>0.584</td>
<td><strong>1.277</strong></td>
<td>0.260</td>
</tr>
<tr>
<td>Retail Atmosphere</td>
<td>80.681</td>
<td>1</td>
<td>80.681</td>
<td>176.413</td>
<td>0.000</td>
</tr>
<tr>
<td>Goal X Retail Atmosphere</td>
<td>0.474</td>
<td>1</td>
<td>0.474</td>
<td><strong>1.036</strong></td>
<td>0.086</td>
</tr>
</tbody>
</table>

R square = 0.499 and Adjusted R square = 0.493  
*Source: Sample Survey 2016*

As hypothesized the main effect of goal on customer experience (F (3,300) =4.225, p<0.01) was not supported. The interaction effect of goal and price on customer experience for a supermarket as hypothesized in H2A2C (F (3,300) =0.907, p<0.01) was supported (Table 9).
Table 9: Two-way ANOVA of Goal and Price on Customer Experience for Supermarkets

<table>
<thead>
<tr>
<th>Source</th>
<th>Type III Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Goal</td>
<td>2.147</td>
<td>1</td>
<td>2.147</td>
<td>4.225</td>
<td>0.041</td>
</tr>
<tr>
<td>Price</td>
<td>82.408</td>
<td>1</td>
<td>82.408</td>
<td>162.197</td>
<td>0.000</td>
</tr>
<tr>
<td>Goal X Price</td>
<td>1.716</td>
<td>1</td>
<td>1.716</td>
<td>0.907</td>
<td>0.977</td>
</tr>
</tbody>
</table>

R square = 0.444 and Adjusted R square = 0.437

Source: Sample Survey 2016

From the Figure 4 it can be seen that when goal of the customer is experiential it increases the customer experience when price is high. On the contrary there is not much difference in customer experience when the price is low. In the case of supermarkets experientially oriented respondent’s customer experience is higher when their perception of price (loyalty programs and promotions) is high.

FIG 4 INTERACTION EFFECT OF GOAL AND PRICE ON CUSTOMER EXPERIENCE FOR SUPERMARKETS

Table 10: Two-way ANOVA of Goal and Past Experience on Customer Experience for Supermarkets

<table>
<thead>
<tr>
<th>Source</th>
<th>Type III Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Goal</td>
<td>0.315</td>
<td>1</td>
<td>0.315</td>
<td>0.517</td>
<td>0.473</td>
</tr>
<tr>
<td>Past Experience</td>
<td>61.805</td>
<td>1</td>
<td>61.805</td>
<td>101.538</td>
<td>0.000</td>
</tr>
<tr>
<td>Goal X Past Experience</td>
<td>0.092</td>
<td>1</td>
<td>0.092</td>
<td>0.752</td>
<td>0.697</td>
</tr>
</tbody>
</table>

R square = 0.334 and Adjusted R square = 0.326

Source: Sample Survey 2016

As hypothesized the main effect of goal on previous experience (F (3,300) =0.517, p>0.01) was not supported. The interaction effect of goal and past experience on customer experience for a supermarket as hypothesized in H2A2D (F (3,300) =0.752, p>0.01) was not supported (Table 10).

III) INVOLVEMENT

The moderating effects of involvement of the customer (whether the involvement of the customer is high or low) on the various determinants namely the Social environment, Retail atmosphere, Price and past experience are tested for supermarket. The main and interaction effect of goal and determinants on customer experience was tested.

H3A1 : Involvement significantly influences customer experience in the case of supermarkets.

H3 A2 : Involvement moderates the effect of the determinants on customer experience for supermarkets.

H3A2A : Involvement moderates the effect of the social environment on customer experience for supermarkets.

H3A2B : Involvement moderates the effect of the retail atmosphere on customer experience for supermarkets.

H3A2C : Involvement moderates the effect of the price on customer experience for supermarkets.

H3A2D : Involvement moderates the effect of the past experience on customer experience for supermarkets.

Table 11: Two-way ANOVA of Involvement and Social Environment on Customer Experience for Supermarkets

<table>
<thead>
<tr>
<th>Source</th>
<th>Type III Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Involvement</td>
<td>0.871</td>
<td>1</td>
<td>0.871</td>
<td>1.858</td>
<td>0.174</td>
</tr>
<tr>
<td>Social Environment</td>
<td>46.558</td>
<td>1</td>
<td>46.558</td>
<td>99.279</td>
<td>0.000</td>
</tr>
<tr>
<td>Involvement X Social Environment</td>
<td>0.081</td>
<td>1</td>
<td>0.081</td>
<td>1.002</td>
<td>0.962</td>
</tr>
</tbody>
</table>

R square = 0.487 and Adjusted R square = 0.481

Source: Sample Survey 2016

As hypothesized the main effect of involvement on customer experience (F (3,300) =1.858, p>0.01) was not supported. The interaction effect of involvement and social environment on customer experience for a supermarket as hypothesized in H3A2A (F (3,300) =1.002, p>0.01) was not supported (Table 11).

Table 12: Two-Way ANOVA of Involvement and Retail Atmosphere on Customer Experience for Supermarket

<table>
<thead>
<tr>
<th>Source</th>
<th>Type III Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Involvement</td>
<td>0.773</td>
<td>1</td>
<td>0.773</td>
<td>2.000</td>
<td>0.159</td>
</tr>
<tr>
<td>Retail</td>
<td>62.616</td>
<td>1</td>
<td>62.616</td>
<td>161.967</td>
<td>0.000</td>
</tr>
</tbody>
</table>

Source: Sample Survey 2016

As hypothesized the main effect of goal on previous experience (F (3,300) =1.858, p>0.01) was not supported. The interaction effect of goal and past experience on customer experience for a supermarket as hypothesized in H3A2D (F (3,300) =0.752, p>0.01) was not supported (Table 10).
As hypothesized the main effect of involvement on customer experience (F (3, 300) =2.00, p>0.01) was not supported. The interaction effect of involvement and retail atmosphere on customer experience for a supermarket as hypothesized in H3A2B (F (3, 300) =0.006, p>0.01) was supported (Table 12).

**TABLE 13** TWO-WAY ANOVA OF INVOLVEMENT AND PRICE ON CUSTOMER EXPERIENCE FOR SUPERMARKET

<table>
<thead>
<tr>
<th>Source</th>
<th>Type III Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Involvement</td>
<td>0.713</td>
<td>1</td>
<td>0.713</td>
<td>1.582</td>
<td>0.210</td>
</tr>
<tr>
<td>Price</td>
<td>45.095</td>
<td>1</td>
<td>45.095</td>
<td>100.001</td>
<td>0.000</td>
</tr>
<tr>
<td>Involvement X Price</td>
<td>0.004</td>
<td>1</td>
<td>0.004</td>
<td>0.087</td>
<td>0.923</td>
</tr>
</tbody>
</table>

R square = 0.506 and Adjusted R square = 0.500

As hypothesized the main effect of involvement on customer experience as hypothesized in H3A2C (F (3, 300) =0.087, p>0.01) was supported (Table 13).

**TABLE 14** TWO WAY ANOVA OF INVOLVEMENT AND PAST EXPERIENCE ON CUSTOMER EXPERIENCE FOR SUPERMARKETS

<table>
<thead>
<tr>
<th>Source</th>
<th>Type III Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Involvement</td>
<td>0.606</td>
<td>1</td>
<td>0.606</td>
<td>1.084</td>
<td>0.299</td>
</tr>
<tr>
<td>Past Experience</td>
<td>33.873</td>
<td>1</td>
<td>33.873</td>
<td>60.558</td>
<td>0.000</td>
</tr>
<tr>
<td>Involvement X Past Experience</td>
<td>0.116</td>
<td>1</td>
<td>0.116</td>
<td>0.207</td>
<td>0.649</td>
</tr>
</tbody>
</table>

R square = 0.389 and Adjusted R square = 0.382

6.0 MAJOR FINDINGS

Creating a superior customer experience has been gaining increasing attention from the retailers. However, there has been a shortage of academic research on this topic. This research has tried to provide a complete picture of the customer experience and its determinants among supermarket customers.

The demographic profile shows that the retail store customers of chosen retail store is relatively younger, reasonably educated, middle class with a reasonably good income at their disposal. Author’s past research on Regression analysis was utilized for selecting the most significant contributors to customer experience among supermarket shoppers in Saudi Arabia. It was observed from the previous research that Social environment, retail atmosphere, price, and past experience are the most significant antecedents of customer experience among supermarket shoppers in KSA.

General linear method was used to study the effects of moderator on the relationship between the determinant and customer experience. Significant interaction effect exists between location and retail atmosphere and also between goal and price. Significant interaction effect exists among involvement with retail atmosphere, price and past experience. Hence hypotheses H1A2B, H2A2C, H3A2B, H3A2C and H3A2D were supported for the purpose of the study.

7.0 IMPLICATIONS OF THE STUDY

The study will enable retailers, managers, salespersons and researchers to gain a better understanding of the factors that lead to creating a superior customer experience for the customers which in turn will create a positive business outcome in Saudi Arabian market. A complete understanding of the various moderators and determinants that are used in this study would enable the supermarket in Saudi Arabia to create a memorable experience for the customer. The study contributes to this volume of modern literature on moderators and determinant of customer experience for supermarket shoppers in the Middle East scenario. The managerial contribution of the study provides a base for the modern retailers who want to understand what the key drivers of customer experience in Saudi retail outlet and modify their retail strategies accordingly to provide a better experience in the stores in Saudi Arabia.

8.0 SUMMARY AND RECOMMENDATIONS

The study focused only on analyzing the impact of moderators on determinants of customer experience namely social environment, retail atmosphere, price and past experience among supermarket shoppers in Saudi Arabia. The study was conducted in Jizan and hence the study reflects the perceptions of the urban population. There may be variations in the perceptions of the customers belonging to other cities like Jeddah and Riyadh of KSA which are emerging as the favorable destinations for the supermarket. In summary, customers’ experiences resulting in positive emotional reactions are increasingly being seen as real and sustainable differentiators between competing retailers under study. Online retailing is a relatively new phenomenon in KSA and hence research is required to understand the determinants of
e-retailing that would help the retailers to comprehend the customers and in turn would be beneficial for the organizations also.

REFERENCES


