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## Analysis of Customers' Perception in Khuslen Wholesale Center

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**Abstract:** This study examines customer perceptions and satisfaction at the Khuslen Wholesale Center, a key retail hub in Darkhan-Uul aimag, amidst the growing emphasis on customer satisfaction across all sectors. Recognizing the critical importance of improving service quality, accessibility, and effectiveness in the trade sector, a comprehensive customer satisfaction survey was conducted using the internationally validated SERVQUAL model, which encompasses five dimensions and 22 measures developed by Parasuraman, Zeithaml, and Berry. The research involved surveying 760 customers through a structured questionnaire to assess the current state of customer satisfaction. Findings reveal strengths in the center's internal environment and staff professionalism, while highlighting areas for improvement in the external environment and service efficiency. Customers expressed a need for better accessibility and a wider range of services, indicating opportunities for enhancing overall satisfaction and loyalty. The study suggests that strategic enhancements, such as improving infrastructure, elevating product presentation, expanding service offerings, and investing in digital marketing, could significantly boost customer satisfaction and support the sustainable growth of the Khuslen Wholesale Center.

**Keywords:** satisfaction, marketing, customer

### Introduction:

Supermarket shopping is often categorized as a self-service retail environment. For supermarket retailers aiming to build strong relationships with their customers, tracking customer satisfaction levels concerning key elements of the supermarket environment is extremely important. From the retailer's perspective, the goal is to minimize reasons for complaints and dissatisfaction, thereby reducing the costs associated with service recovery plans [2], while simultaneously establishing a system for direct customer feedback regarding their experiences with these key elements.

Customers are among the most crucial elements in the commercial and service sectors, as their satisfaction directly influences the success and sustainability of businesses. Ensuring high levels of customer satisfaction is essential for fostering loyalty, encouraging repeat business, and enhancing the overall reputation of a company [3]. Therefore, studying customer satisfaction within these sectors provides valuable insights that can lead to significant improvements in operational efficiency, service quality, and customer experience. This research focuses on determining the current level of customer satisfaction at the "Khuslen" Wholesale Center and aims to develop and implement suggestions and recommendations for enhancing services based on the survey results.

The significance of this research lies in its potential to identify the factors contributing to customer satisfaction at the "Khuslen" Wholesale Center and to improve operations based on customer feedback. By understanding customer perceptions, the wholesale center can better tailor its services to meet and exceed customer expectations, ultimately fostering customer loyalty and business sustainability. The objectives of this study are twofold: first, to assess the level of customer satisfaction at the "Khuslen" Wholesale Center by evaluating different dimensions of the customer experience; and second, to develop actionable recommendations for service improvement based on the survey findings. This proactive approach ensures that the wholesale center not only addresses current shortcomings but also anticipates future customer needs, thereby securing a competitive advantage and promoting long-term growth.

### Literature Review

Customer satisfaction has been a focal point of research across various sectors since the 1970s [4]. Scholars have extensively explored the determinants of customer satisfaction and the methodologies for its assessment. One of the most widely adopted models for evaluating service quality and customer satisfaction is the SERVQUAL model,

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developed by Parasuraman, Zeithaml, and Berry [1]. This model identifies five key dimensions of service quality: tangibles, reliability, responsiveness, assurance, and empathy.

Tangibles refer to the physical aspects of the service environment, including facilities, equipment, and the appearance of personnel. These tangible elements significantly influence customers' perceptions and satisfaction levels [5]. Reliability encompasses the ability of the service provider to perform the promised service dependably and accurately [6]. Responsiveness involves the willingness to help customers and provide prompt service, which is crucial in maintaining customer satisfaction [7].

Assurance pertains to the knowledge and courtesy of employees and their ability to convey trust and confidence [8]. Finally, empathy refers to the provision of caring, individualized attention to customers, addressing their specific needs and concerns [9]. These dimensions collectively shape the overall perception of service quality and, consequently, customer satisfaction.

Kotler [10] introduced the concept of "atmospherics" as a significant influence on the buying decision process. He posited that the atmosphere of a place, experienced through senses such as sight, sound, scent, and touch, can be more influential than the product itself in determining purchase behavior. Bitner [11] expanded on this by introducing the term "servicescapes," which includes not only the physical environment but also the role of service personnel in enhancing customer experiences. Bitner emphasized that servicescapes affect customers' impressions and satisfaction with the service, highlighting the need for empirical research in this area [12].

Service quality is often measured by the discrepancy between customer expectations and their perceptions of the actual service received [13]. When the perceived service meets or exceeds expectations, customer satisfaction is achieved. Conversely, unmet expectations lead to dissatisfaction [14]. This dynamic underscores the importance of continuously monitoring and improving service quality to enhance customer satisfaction.

Comparative studies have shown that proactive approaches to addressing customer satisfaction can significantly impact business success. For instance, Inner Mongolia (China) expanded its university programs dedicated to music education to address a critical need for qualified music teachers, demonstrating a strategic response to customer (student) demand [15]. Similarly, the Khuslen Wholesale Center can adopt such strategies to meet the growing demand for high-quality customer service by expanding training programs and improving service delivery mechanisms.

### III. Methodology

This study employs a quantitative research design to assess customer satisfaction at the "Khuslen" Wholesale Center. Utilizing the SERVQUAL model, the research focuses on measuring five key dimensions of service quality: tangibles, reliability, responsiveness, assurance, and empathy. The SERVQUAL model provides a comprehensive framework for evaluating the gap between customer expectations and their perceptions of the actual service received. To ensure the reliability and validity of the survey, the questionnaire was meticulously designed to capture relevant data across these dimensions, enabling a thorough analysis of customer satisfaction levels.

The sampling method adopted for this research is simple random sampling, aimed at obtaining a representative sample of the customer population at the Khuslen Wholesale Center. The sample size was determined using the following formula:

$$n = \frac{t^2 * p * (1 - p) * N}{e^2 * N + t^2 * p * (1 - p)}$$

where n is the sample size, ZZZ is the z-score corresponding to the desired confidence level (1.96 for 95%), ppp represents the estimated proportion of customers satisfied, and EEE is the margin of error (2.5%). Based on this calculation, a total of 760 customers were randomly selected from the Darkhan-Uul aimag to participate in the survey. This sample size ensures a high level of confidence in the results, minimizing the margin of error and enhancing the generalizability of the findings.

Data was collected through an online questionnaire distributed via Google Forms on the Khuslen Wholesale Center's official page. The survey was structured to include both closed-ended and Likert-scale questions, facilitating quantitative analysis of customer responses. Participants were asked to evaluate various aspects of their shopping experience, including the cleanliness of the environment, the professionalism of the sales staff, and the availability of additional services. To analyze the collected data, descriptive statistics were employed to summarize the responses, while reliability analysis using Cronbach's alpha was conducted to assess the internal consistency of the survey instrument. The results were then interpreted in the context of the SERVQUAL dimensions to identify key areas of customer satisfaction and areas needing improvement, thereby providing actionable insights for enhancing service quality at the wholesale center.

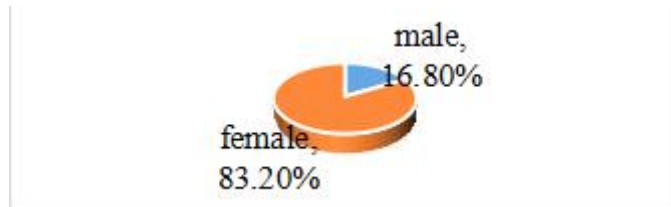
Results and discussion

Results and Discussion

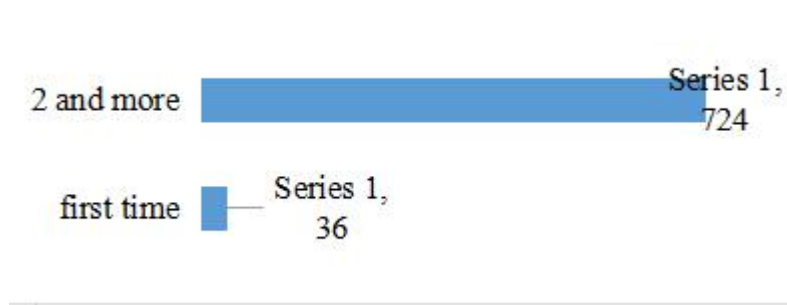
The survey results provide valuable insights into the satisfaction levels of customers at the Khuslen Wholesale Center. This section presents a detailed analysis of customer perceptions across various dimensions and offers a discussion on the key findings. The key factors influencing satisfaction are analyzed based on the survey data collected from 760 customers, with emphasis on physical environment, service quality, and additional services.

#### Customer Demographics and Visit Frequency

The gender distribution of the customers revealed that a significant majority, 83.2%, were female (Chart 1). This suggests a skew in customer demographics, with female shoppers representing the predominant group at the wholesale center. In terms of visit frequency, 95.3% of participants reported visiting the center two or more times (Graphic 2). This high frequency of return visits indicates that the center is successful in fostering customer loyalty.



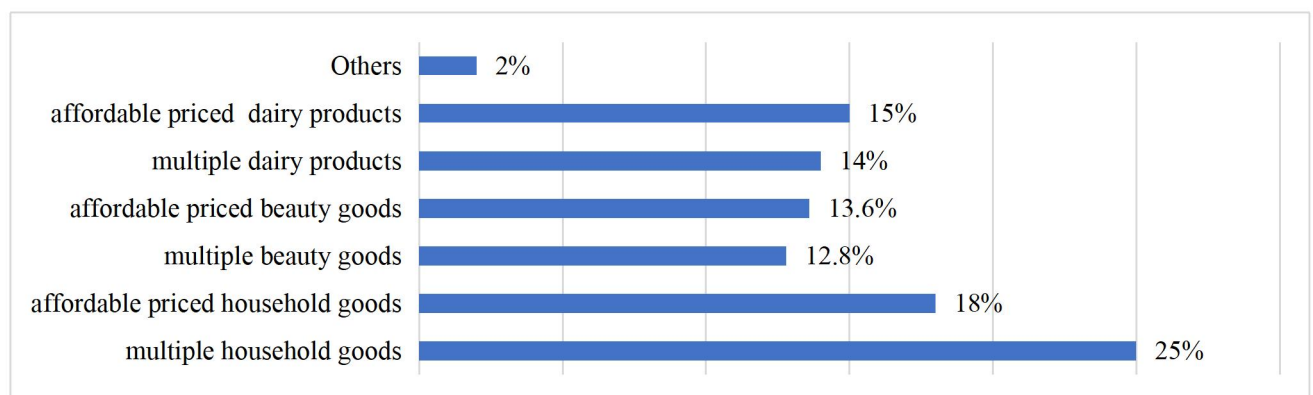
Graphic-1: Gender of customers at the Khuslen Wholesale Center.



Graphic-2: Frequency of visits to the Khuslen Wholesale Center.

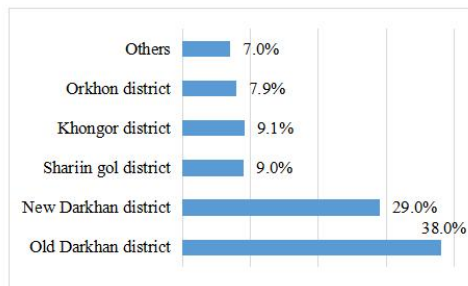
The reasons for returning were attributed to various factors, as shown in Graphic 3. These reasons include product variety, pricing, and customer service, reflecting the importance of these elements in retaining repeat customers.

#### Customer Satisfaction Across Various Indicators



Graphic-3: Reasons for returning to the wholesale center.

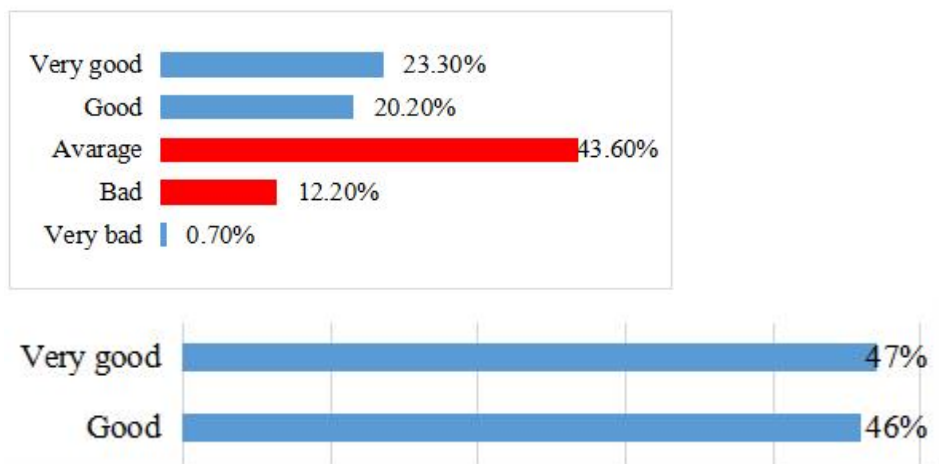
The reasons for frequent visits were explored, with several factors influencing customers' decision to return to the wholesale center.



Graphic-4: Where do people come from to use the Khuslen Wholesale Center?

The survey participants' geographic distribution was examined, showcasing the reach of the Khuslen Wholesale Center across various regions.

External Environment: When asked about the comfort, convenience, and cleanliness of the external environment, 55.8% of customers expressed dissatisfaction (Graphic 5). This indicates a need for improvement in the center's external appearance and accessibility, which may be affecting the overall shopping experience.

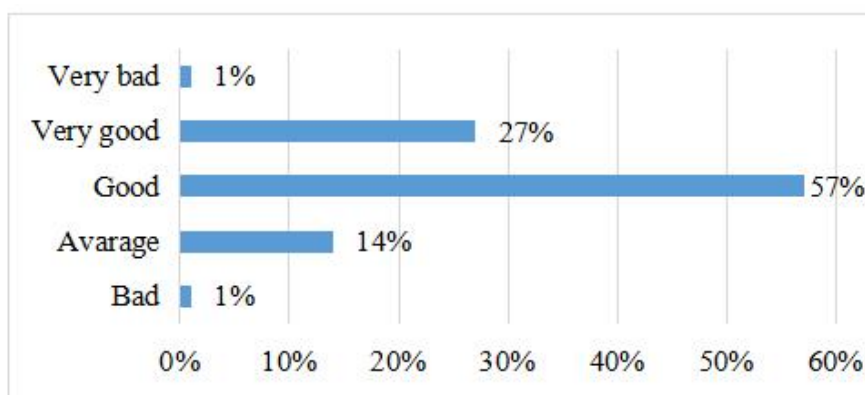


Graphic-5: How comfortable, convenient, and clean is the external environment of the Khuslen Center you visited?

When it comes to the external environment of the Khuslen Wholesale Center, 55.8% of customers expressed dissatisfaction with the comfort, convenience, and cleanliness, indicating room for improvement in this area.

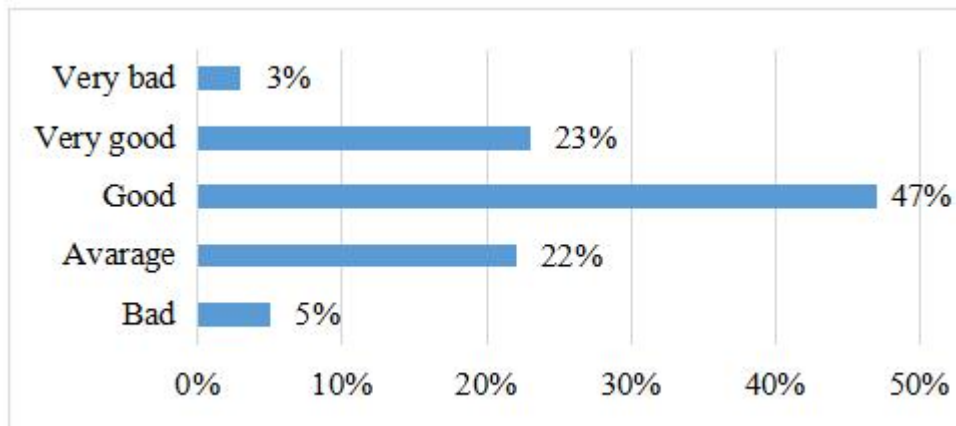
Internal Environment: Conversely, 93% of customers were satisfied with the internal environment, highlighting the importance of cleanliness and comfort inside the center (Graphic 6).

Graphic-6: How comfortable is the internal environment of the Khuslen Center you visited?



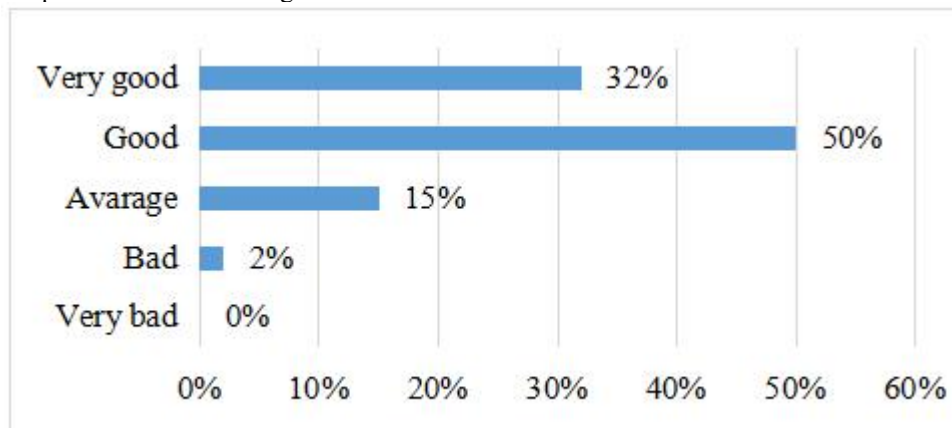
In contrast, 93% of customers were satisfied with the internal environment of the center, appreciating its comfort and cleanliness.

Graphic-7: How much was the mall waiting and load that you served?



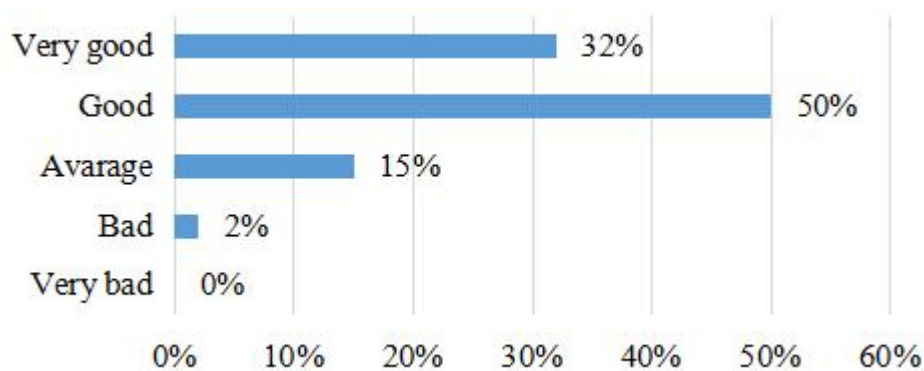
A substantial 68% of customers reported experiencing long wait times and heavy service loads, suggesting the need for improvements in managing customer flow and service efficiency.

Graphic-8: Sales staff image.



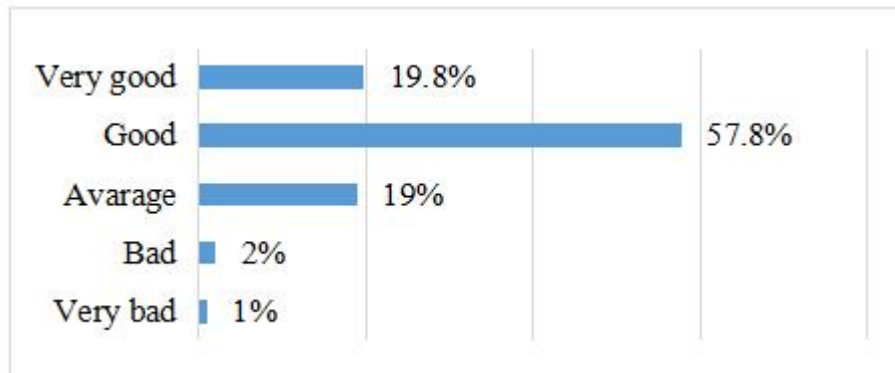
The image and professionalism of the sales staff were well-received, with 70% of customers positively evaluating the staff's appearance and approachability.

Graphic-9: Sales workers' customer consignment and customer consulting.



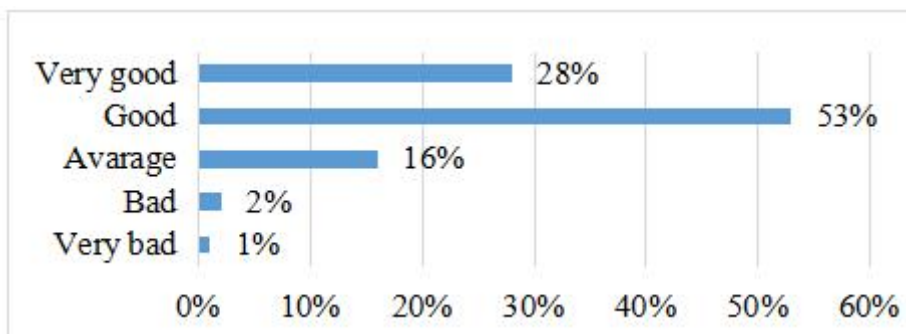
70% of customers reported receiving sufficient information from sales staff about products, including details on item availability, names, and prices, demonstrating effective customer communication.

Graphic-10: Can you complete your preferred service?



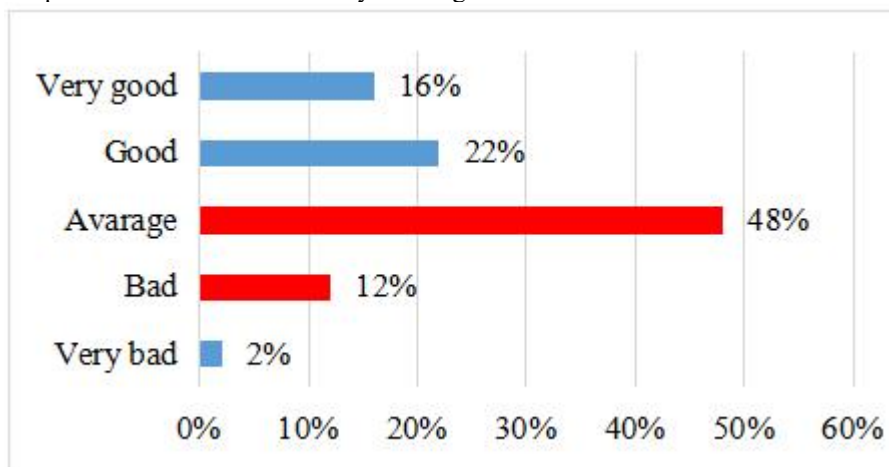
Over half of the respondents (57.8%) indicated that they were able to complete their desired transactions or services, highlighting a satisfactory level of service delivery.

Graphic-11: The opportunity to express their feedback about services.



79% of the total study captains that the Sales Employee Customer Customer has been able to communicate.

Graphic-12: Products full delivery with regular channels.

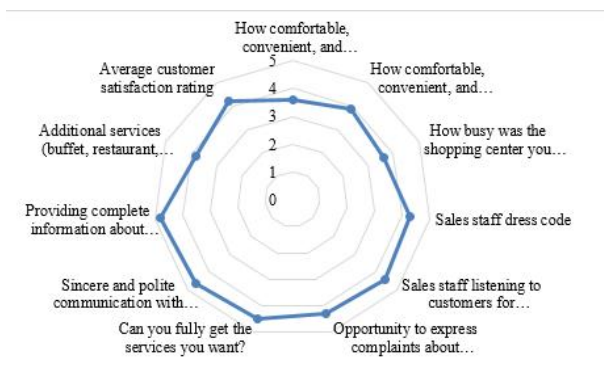


81% of the respondents indicated that they were able to complete the required information regarding product availability on their homepage, demonstrating the center's effective information dissemination.



Table-1 Satisfaction of customers “Khuslen wholesale center”:

Questionnaire	Average
How comfortable, convenient, and clean is the exterior environment of the Khuslen Center you serve?	3.6
How comfortable, convenient, and clean is the interior of the Khuslen Center you serve?	3.9
How busy was the shopping center you serve?:	3.6
Sales staff dress code	4.3
Sales staff listening to customers for product information	4.4
Opportunity to express complaints about services	4.3
Can you fully get the services you want?	4.5
Sincere and polite communication with customers	4.6
Providing complete information about products and services through optimal channels	4.8
Additional services (buffet, restaurant, coffee shop, pharmacy...)	3.8
Average customer satisfaction rating	4.2



From the Graphs above the survey respondents have 4,2 rating for the Graphic Center Service.

Graphics 13. Customer Satisfaction Assessments by Wish Wholesist

Table-2. Suggestions on improving wholesalist activity

N	Customer feedback on the operation	Percent
1	“Khuslen” discount card	30,6%
2	Online order	24,3%
3	Outdoor parking	20,3%
4	Pharmacy services	7,5%
5	Add the number of cash registers	8%
6	Restrooms	3%
7	Restaurants	4,2%
8	Increase product variety	2,1%

### Conclusion

Based on the findings of our study, several key conclusions can be drawn regarding the service quality and customer satisfaction at the Khuslen Wholesale Center.

Firstly, the study aimed to assess customer satisfaction by utilizing well-established service quality models, particularly those of Divorce (1988) and V.A. Zeithaml. These models provided a robust framework for evaluating the effectiveness of service delivery and customer satisfaction at the center. The reliability of the satisfaction measurements was affirmed, with an average reliability score of 0.801, which is considered acceptable, indicating that the data collected through the survey was consistent and dependable.

Secondly, the indicators related to customer satisfaction, particularly those regarding the internal environment, sales communication, and service completion, were found to be relatively strong. Customers expressed high satisfaction with aspects such as the professionalism of the sales staff, the clarity of sales communications, and the completion of their transactions. These factors were evaluated more favorably compared to others, suggesting that the center excels in these areas of service.

However, despite these positive outcomes, certain aspects of the service experience were identified as areas for improvement. Specifically, customer satisfaction with the external environment was lower, with respondents expressing dissatisfaction regarding factors such as the center's physical accessibility, cleanliness, and overall ambiance. Additionally, the study highlighted concerns over service wait times and the load faced by staff, which may contribute to customer dissatisfaction during peak hours. Furthermore, there was a notable demand for additional services, indicating that customers are seeking a broader range of offerings to enhance their experience.

#### Analysis of Situation

Advantage	Weakness
extended to extensions of internal environments; managed to become a trading center because of the main road; / eg UB - Airline / Nearly nearer to local customers to the local customers Comes from the front of the goods.	Insistant organizations that authorize about 880 salts in wholesale goods Owning center external environment is less parked car park
Opportunity	Risk fit
Attract you more customers by improving your external environment; Intergiving additional services can meet the needs of one at one time; To explore conditions to explore the condition of basic activity to explore conditions and reducing costs; • Increase your self-reserved event towards a particular course of social liability, the user can increase a user to a certain amount.	Wish Wholesist is at risk of losing customer numbers unless

#### Suggestions

Based on the conclusions drawn from this study, several key suggestions are made to enhance the service quality and overall customer satisfaction at the Khuslen Wholesale Center. Implementing these improvements could lead to positive changes in customer perceptions and long-term loyalty.

##### ***Improve the External Environment***

One of the main areas identified for improvement is the external environment of the wholesale center. To enhance customer satisfaction, it is essential to create a more welcoming and accessible environment. Specifically, constructing a parking lot would address the inconvenience that many customers face when visiting the center. This improvement would not only increase convenience but also contribute to a more positive first impression of the center.

##### ***Enhance Product Dignity and Offerings***

Another area for improvement is the dignity and appeal of the products offered. In order to strengthen the reputation of the center, it is suggested that the center focuses on elevating the quality and presentation of its products. Additionally, there is a need to introduce more personalized services that cater to customer preferences. This could involve creating specialized offers or services that align with customer needs, ensuring a more tailored shopping experience.

##### ***Suggested Improvements and Activities***

The following activities are recommended to address these concerns and enhance customer satisfaction:

- **Building a Parking Lot:** Creating a designated parking space will improve convenience for customers, making it easier for them to visit the center.
- **Introducing a "Khuslen" Discount Card:** Offering a discount card could incentivize repeat customers, encouraging loyalty and frequent visits to the center.
- **Enhancing the Dignity of Home Furnishings:** Improving the quality and presentation of home furnishings will help elevate the overall shopping experience and attract a broader customer base.
- **Researching Additional Services:** It is recommended to explore the introduction of additional services that customers desire. Services such as a pharmacy, cafeteria, or restaurant could significantly enhance the center's appeal and create a one-stop shopping experience for customers. Understanding customer preferences through further research will ensure that these services meet demand.
- **Investing in Online Marketing:** To reach a wider audience and engage with customers digitally, investing in online marketing strategies is essential. Promoting the center's offerings on social media platforms and through targeted advertising could increase awareness and attract new customers, especially in the digital age where online engagement is a crucial driver of business growth.



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