MAKERERE UNIVERSITY

MAKERERE UNIVERSITY BUSINESS SCHOOL

RETAIL ATMOSPHERICS, PERCEIVED SERVICE QUALITY AND RETAIL STORE PATRONAGE OF SUPER MARKETS IN KAMPALA.

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ABSTRACT

Academic research works on retail store patronage have proliferated over the years, however very few studies in this area have focused on retail stores in emerging markets. This study adopted a cross sectional approach to examining how retail atmospherics variables (light, music, scent, and color); together with perceived service quality affect customers' patronage on these retail stores. The focus of this study that commenced in the year 2013 was on super markets in Kampala that give reward cards to their customers, namely Capital Shoppers, Nakumatt, Uchumi and Quality super markets. A cross sectional research design was employed and 1504 customers were sampled.

The results of the analysis revealed significant positive relationship between: retail atmospherics and retail store patronage of supermarkets in Kampala (r = 0.37, $P \le 0.1$), retail atmospherics and perceived service quality (r = 0.23, $P \le 0.01$) and a significant positive relationship between perceived service quality and retail store patronage (r = 0.20, $P \le 0.01$).

Retail atmospherics was found to have a partial significant positive effect on retail store patronage (beta = .268, p \le 01) in the simple regression and on controlling for perceived service quality, the effect did not only remain significant but got strong (beta = .346, p > .05). The Sobel test for mediation showed that the mediating effect was partial and significant (Z = 3.15, p \le .01).

It is therefore important that marketing practitioners consider the synergistic contribution of these variables in order to create a comprehensively appealing environment for attracting patronage.