THE IMPACT OF PHYSICAL EVIDENCES ON CUSTOMER STORE LOYALTY WITH SPECIAL REFERENCE TO SUPERMARKET INDUSTRY IN SRI LANKA

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Abstract

In Sri Lanka, when concentrating on previous researches on supermarket environment, the main focus has gone towards how far the customer service has affected on customer satisfaction or customer loyalty. However, other than the service quality there are so many areas to be looked at on the super market environment. There has been no such research conducted to study how physical evidences are made an impact on consumer behavior in super market environment. In Sri Lanka Therefore, there is a gap on identifying variables, which affect on consumer behavior other than the service quality in Sri Lankan supermarkets. Consumer mind is changing time to time but it is questionable whether that change is captured by retailers when designing their strategies. The overall study focused on whether there is an impact on the physical evidence used in supermarkets towards achieving customer store loyalty. This survey has covered the five major supermarkets in Sri Lanka. The sample is consisted of 100 customers those who are doing shopping at supermarket. To carry out the research there were four physical evidence elements selected such as layout, signage, lighting and signboards of supermarkets. Through the research findings there are several aspects of the customer store loyalty was revealed. One of those is present context customers are moving from general trade to modern just because of the opportunity that they getting to compare prices of the goods, quality and specifications of each product unlike in the general trade shopping. The next reason is most of the people love to have family shopping specially in supermarkets. Nowadays this has become a new trend in supermarkets.

Keywords: Physical Evidence, Customer Loyalty, Word of Mouth, Consumer Behaviour

1. INTRODUCTION

1.1 Background of the Study

Today the field of marketing is really competitive where companies compete with each other’s to get the best chunk out of the market share. Retail is the world’s largest industry and incorporates a vast collection of businesses, too numerous to mention. In Sri Lanka, it is observing a boom in retailing, with many retail establishments being set up, across the country. With consumers spoilt for choice, retail marketers are focusing on retaining customers. Hence, the focus on loyalty programmes due to heavy completion among the companies to retain its customers. There are two types of retailers, namely: store retailers and non-store retailers. In foreign context Wal-Mart, Tesco, Mark & Spenser, Summer Fields, Saints Berry is the major players in the retail sector. As well as on the local context Cargills, Keells super, Arpico and Laugf are the top players in Sri Lanka. Electronic or online formats, door to door selling, telemarketing, and vending machines are the methods used by non-store retailers to reach out the customers at their homes or offices.
Though there are different formats of retailing such as convenience stores, specialty stores, hypermarkets, and discounts stores: supermarkets are the most vital retail format in Sri Lanka. A supermarket is a large, departmentalized retail store that primarily sells food items (Marshall et al. 2001), while a department store is larger, divided into different departments, and also provides an extensive assortment of other goods and services (Thang and Tan 2003).

In Sri Lanka, the outlet chains have different value propositions, but when it comes to the offering of the services caters with more or less the same brands in the FMCG market. However, at the end of the day customer choice matters a lot for outlet turnover. To get attract customer to outlets so many tactics and strategies have being implemented by the management. Out of those strategies, the adjustments on service marketing mix having a great importance.

Out of the elements in service marketing mix physical evidence has a major importance. The physical evidence is the environment in which the service is delivered and where the firm and the customer get interact with. The physical environment is highly important in setting up a loyal customer base. Physical evidence includes the service atmospherics, which creates purchase intention, positive word of mouth, revisit, customer satisfaction that would bring customer loyalty in a given industry. Those physical evidences can be categorized into two main areas such as interior facilities and exterior facilities. Interior facilities include interior design, layout, air quality, temperature, lighting, signs, architecture etc. Signage, parking, landscape, exterior designs are the exterior evidences in retail store environment.

Therefore, it is important to investigate further the support of physical environment of supermarkets in creating customer store loyalty. The present study mainly focus on physical evidences of supermarkets and customer responses towards designing of physical evidences. Through this research, the researchers will attempt to study the impact of physical evidences on customer store loyalty in Sri Lankan super markets.

1.2 Research Problem

Physical evidence is an important element in service marketing mix. Physical evidence influences the attitudes, emotions and behaviours of consumers. Therefore, creative use of the service environment can affect the perceptions and behaviours of individuals. The effect is referred to as environmental psychology. Environmental psychology studies how people respond to specific environments.

Service environments, also called servicescapes, relate to the style and appearance of the physical surroundings and other experiential elements encountered by customers at service delivery sites. Firm’s physical evidence affects the consumer’s experience throughout the duration of the service encounter. Thus, managing the firm’s physical evidence includes everything tangible, from the firm’s physical facilities, to internal and external and physical evidences and even the way the organization’s personnel are dressed. Due to the intangibility of services, service quality is difficult for consumers to objectively evaluate. As a result, consumers rely on tangibles or physical evidence that surrounds the service to help them form their evaluations.
In Sri Lanka, when concentrating on previous researches on supermarket environment, the main focus has gone towards how far the customer service has affected on customer satisfaction or customer loyalty. However, other than the service quality there are so many areas to be looked at on the super market environment. There has been no such research conducted to study how physical evidences are made an impact on consumer behavior in super market environment. Therefore, there is a gap on identifying variables, which affect on consumer behavior other than the service quality in Sri Lankan supermarkets.

However according to the previous research Williams et al, 1978, has found that pricing strategies have strong influential ability on creating customer store loyalty. In some research (Woodside and Trappey, 1992) noted that location of the store is the most important factor in setting customer store loyalty. Likewise there are many researchers have found various factors which influence on customer store loyalty.

According to the literature there is no contentious among the previous researches regarding the relationship between the physical evidences and customer store loyalty. Therefore, the present research mainly focuses on “to what extent physical evidence will influence on customer store loyalty towards supermarket industry”.

1.3 Research Objectives

Key objective:

- To examine the impact physical evidences on customer store loyalty towards supermarket outlets especially on revisit, positive word of mouth with special reference to supermarkets in Colombo district.

Specific Objectives:

- To evaluate the effectiveness of the physical evidences in developing revisit intention and positive word of mouth recommendation
- To compare and contrast the significance of the physical evidences on behavioral intention and attitudinal behavior of customers
- To recommend appropriate strategy for developing physical evidences to create customer store loyalty

1.4 Research Questions

Having identified the research objectives, research questions can be developed. These research questions are discussed in detail throughout the research.

- What are the main physical evidences adopted by supermarkets in Sri Lanka?
- To what extent does the outlet layout impact on the customer revisit?
- To what extent do the physical atmosphere (lighting, signboards and signage) make an impacts on customer revisit?
- Are all physical evidences equally important in creating customer store loyalty?
- What is the general condition of loyalty towards Sri Lankan supermarkets?
2. THEORITICAL BACKGROUND & LITERATURE REVIEW

2.1 Conceptual Background of Service Marketing

The concept of service marketing is emerged from the marketing. Marketing is the activity, set of institutions, and processes for creating, communicating and exchanging offerings that have value for customers, clients, partners and society at a profit. (American Marketing Association).

On the other hand, service marketing refers to the activity or benefit that one party can offer to another that is essentially intangible and does not result in the ownership of anything. Its’ production may or may not be tied to a physical product.

Capturing and retaining customers in a service industry is a vastly different activity to its product-based counterpart. The fickle nature of today’s consumer is a vital factor in understanding the factors which determine successful holding of market share - and the intense competition within the sector means practitioners must keep pace with new developments if they are to outwit competitors and develop customer loyalty.

The well-documented and gradual evolution of many advanced economies away from manufacturing and toward services has entailed new ways of thinking about marketing. Marketing practice in the service industries has certainly benefited from the work of many managers and researchers who have sought ways to improve service delivery. Less obvious, however, has been the reciprocal influence of services marketing thought on traditional goods marketing. The services marketing emphasis on customer satisfaction and long-term relationships with customers have influenced goods marketers to think differently about their businesses and their customers. Many marketers, whether of goods or services, are now aware of the elements shared by both types of products. They also realize that all marketers should place more emphasis on satisfying customers, preventing defections, and building long-term relationships (Webster, 1994). Marketing consists of decisions about product, price, promotion, and distribution. These are the major decision areas, where marketing managers allocate scarce corporate resources to achieve their sales and profit goals. The one major alteration to this approach has come with the advent of services marketing as a distinct managerial discipline (Lovelock, 1996). Services marketing theorists have taken great pains to distinguish services marketing from product marketing (e.g. Berry, 1980). A major portion of this effort has focused on rethinking the marketing mix and showing how it is different for services.

By demonstrating that the marketing of services requires different decisions than goods marketing requires, these thinkers present services marketing as a unique and distinct type of marketing. The services marketing mix differs chiefly from the 4Ps by the addition of three new decision responsibilities that must be integrated to form a coherent and effective services marketing mix. By adding personnel, physical assets, and procedures to the marketing mix, forming the 7Ps, services marketing theorists staked out a new field of management theory and practice separate from the marketing of tangible goods (Lovelock, 1996). This conceptual advance has in turn, caused a reevaluation of traditional marketing management thought by obscuring the boundary between goods and services, forcing the realization that many products consist of elements of both tangible goods and intangible services.
2.2 Association between Physical Evidence & Customer Loyalty Dimensions

2.2.1 Association between physical evidence & customer loyalty dimensions in general service industry

As per the previous researches, it has proven that there is a strong impact on customer loyalty due to various factors. Out of those factors, in modern marketing environment there is a high tendency of using physical evidence as a major influence on creating and developing customer loyalty in many different service industries.

Recently, more aggressive direct distribution channels such as cable TV, catalogs, and the internet have challenged traditional brick-and-mortar retailing. One of the main advantages that brick-and-mortar retailers still enjoy over direct channels is their service offerings. In fact, a European Retail Reports (2000) observed that over 70 percent of retail customers in the UK identified customer service as “the most important factor” in achieving and maintaining customer trust. If retailers wish to stimulate behaviors that transform service receivers into loyal customers, they have to offer customers high-quality services.

Consumers today are seeking value, choice, and a great customer experience. Current retailing literature highlights the critical role of service experience and proposes that retailers should: create a theatrical retailing environment: stress fun, excitement and entertainment and encourage greater customer participation in the retail service experience (Baron et al., 2000; Mathwick et al., 2001). Market trends also show that the role of customer experiential value has attracted growing attention among practitioners in the retail industry. Holbrook (1994) broadened the traditional conceptualization of experiential value to incorporate three spheres:

1) Extrinsic versus intrinsic value;
2) Active versus reactive value; and
3) Self- versus other-oriented value

In a shopping context, extrinsic value is acquired from satisfying utilitarian consumption goals such as saving money, whereas intrinsic value is derived from an enjoyable and playful shopping trip (Babin et al., 1994). On the other hand, reactive value refers to a situation when customers appreciate the physical shopping environment or respond positively to service personnel. Active value, in contrast, results from customers’ efficient manipulation of the shopping resources to satisfy their functional or affective needs.

2.2.2 Association between physical evidence & customer loyalty dimensions in supermarket industry

When we focus on a supermarket store environment, the center of the retailer core is store atmosphere. This refers to the environment that is created by combining a set of visual elements of the physical store environment (colours, displays, decorative features, ease of movement etc) and stimulation of senses (smell, condition of the air, music, lighting) enabling an aesthetic consumer response. Stores with a favorable atmosphere are likely to increase the positive buying experience (Babin and Darden, 1996) as well as affecting the time the customer spends in the store and the amount spent (Babin and Darden, 1996;
Babin et al., 2003; Donovan and Rossiter, 1982; Bellizzi et al., 1983; Eroglu and Machleit, 1990). Moreover, in store convenience represents an important attribute of store environmental stimuli.

In store, convenience refers to a store layout and design, which helps customers plan their trip in terms of orientation and direction. They also become skilled at understanding the various signs and labels and control their shopping exploration and trip (Bitner, 1990; Spies et al., 1997). The successful layout of a store depends on whether it has a clear and legible concept; i.e. one can easily find products and find them the first time on different trips. The various labels, information posters and signs can contribute to the concept of the store layout design in creating a favorable and attractive store environment. (Spies et al., 1997).

Previous researches have proven that store atmosphere and purchase intention have a positive relationship; the physical attractiveness of a store makes an impact on the customer’s willingness to spend time there and do shopping. More than the quality, general price level or selection of products, the attractive store atmosphere has a higher correlation with purchase intentions (Yalcin & Kocamaz, 2003). The store atmosphere constitutes of lighting, music, layout, furnishing, colors and scents, and these serve as a stimulus, which aids the customers’ behavioral response in a positive manner. The intentions of a customer to purchase are determined by their willingness to stay in the store, their inclination towards making a repurchase and their willingness to recommend the stores to others (Brady & Baker, 2002). This may also help retailers in forecasting their sales and in formulating their marketing strategies to increase the purchase intention of customers. Previous studies also second the positive relationship between purchase intention and the store atmosphere, 28 studies backed the positivity of this relationship and concluded that the variables related to store atmosphere were effective in determining or influencing the purchase intentions of the customers (Hedrick & Beverland, n.d.). A study conducted on the retail stores of turkey highlights the fact that a store atmosphere can be attractive enough for the customers to enter but to make a purchase, different features of the atmosphere make a critical impact such as the layout, crowding, waiting time in lines etc. (Yalcin & Kocamaz, 2003). The external and internal atmosphere both contribute to the customer behavior and it has been proved that the internal atmosphere significantly impacts the decision making process of the customers at the point of purchase (Baker & Grewal, 1994). Similarly, a study from Taiwan infers that the purchase intention is considerably impacted by the store environment as it influences the customer’s potential benefits and perceived value.

The physical environment, consciously or unconsciously, influences how people feel. How customers develop certain behavioural acts to a particular supermarket outlet and how that behavior can be understood is really important. That is why understanding the role of physical evidences in supermarkets is critical for success.

According to the literature discuss in this session there are several elements consist on super market environment when creating customer loyalty. Out of those physical evidence is one of the most effective modes of creating customer store loyalty in super markets. However there is no sufficient context to discuss about the association between physical evidence and customer loyalty. Therefore the present study makes an attempt to fulfill the research gap.
3. CONCEPTUALIZATION & OPERATIONALIZATION

3.1 Conceptual Framework

Figure 3.1 gives the conceptual model developed for this study. Relationship is build up based on the literature review. Under the conceptual framework, the selected four elements of physical evidence (layout, signage, lighting, sign boards) in supermarkets are categorized as independent variable whereas customer store loyalty (revisit intention, word of mouth) has set under dependent variable.

**Figure 01: Conceptual FrameWork**

<table>
<thead>
<tr>
<th>Independent Variables</th>
<th>Dependent Variable</th>
</tr>
</thead>
<tbody>
<tr>
<td>Layout</td>
<td>Customer Store Loyalty</td>
</tr>
<tr>
<td>Signage</td>
<td></td>
</tr>
<tr>
<td>Lighting</td>
<td></td>
</tr>
<tr>
<td>Sign Boards</td>
<td></td>
</tr>
</tbody>
</table>

3.2 Hypotheses of the Study

3.2.1 **Layout has a significant impact on customer store loyalty**
Store layout is an important factor affecting consumer behavior and a critical determinant towards the creation of store image. Well-designed layouts are extremely important because they strongly influence in-store traffic patterns, shopping atmosphere, shopping behavior, and operational efficiency (Vrechopoulos et al., 2004:13). On the other hand design and layout of a store, for instance width of aisles and music inside the outlet will influence the level of satisfaction and revisit intention. The degree of crowding in a shop also affects purchase behavior. (Bireham, 1995).

3.2.2 **Signage has a significant impact on customer store loyalty**
Signage provides the symbolic idea on where the store locates. On a more prosaic, yet arguably still important level, the symbolic also includes directional signs (Bitner, 1992). It also provides kind of invitation for customers to visit and do the transactions.
Moreover, this evokes to create a better intention on customer behavior and leads to create customer loyalty in longer.

3.2.3 Lighting has a significant impact on customer store loyalty
Levy and Weitz (2007: 530) note that good lighting in a store involves more than simply illuminating space. Lighting can highlight merchandise, sculpt space, and capture a mood or feeling that enhances the store loyalty. Having the appropriate lighting has been shown to positively influence customer-shopping behavior.

3.2.4 Sign boards has a significant impact on customer store loyalty
The systems of signs, giving directions, to more complex symbols that can create particular types of impressions (Bitner, 1992). These signs and symbols are usually designed to generate customer meaning in relation to what is being provided by the marketer, although it has to be recognized that consumer’s subjectivities will also imbue aspects of the servicescape with personal meaning (Masberg and Silverman, 1996; Rosenbaum and Massiah, 2011). According to the previous researches, it shows that there is a positive impact on signs boards, which are used in supermarkets to create customer store loyalty by delivering easiness of directing thing in the store.

4. METHODOLOGY
4.1 Methodological Choice
The methodology of the research is developed in order to get the accurate data with a high representation from the population. Firstly, a secondary data collection is done in order to get more insights of the research area and after having a considerable understanding of the research area, the primary research is to be done.

4.1.1 Secondary Data
The secondary data collection for the study has done through various sources to get more information regarding the research area. For that, various research articles on this research area, web sites, annual report information has gathered.

4.1.2 Primary Data
To collect the primary data a survey was conducted. In this survey, a self-completion questionnaire gave to individual customers with closed questions. Questionnaire included an initial stage regarding background information for the research area; at the 2nd part, it tested about physical environment; at the 3rd part, there are questions on customer store loyalty regarding revisit intention and word of mouth recommendation. On the final part of the questionnaire, there were some questions regarding the demographic factors of the respondents. For the questions, those are in part two & three a five point likert scale was used to get the highest closest answer of an each individual.

4.2 Sampling Plan
4.2.1 Population of the study
The study is based on supermarket industry. Therefore, the population of this study consists of customers those who are doing shopping at supermarkets in Sri Lanka.

4.2.2 Sample of the study
The sample consists of 100 customers those who are shopping at Colombo District. The sample has selected based on simple random sampling technique. This sampling technique
has used due to convenient accessibility and proximity to the researcher. The questionnaires were distributed only those who are shopped at supermarkets.

5. DATA ANALYSIS

5.1. Hypothesis Testing

In this section, the study will consider analyzing the validity of the hypotheses developed in this research. The support of these hypotheses will be assessed by considering the data gathered by the questionnaire and depending on the responses from supermarket customers. This will justify whether the hypotheses considered are supportive or not.

As discussed above, four hypotheses were generated for this study. These hypotheses were tested based on the Pearson Correlation analysis. Below mentioned correlations were obtained to ensure the dependencies between the independent and dependent variables. Bivariate correlation analysis was used for all the independent and depend variables, which were measured on an interval scale. The bivariate correlation procedure was subject to a two tailed of statistical significance at a highly significant (p<0.01) level.

**Hypothesis 01**

H0: Store layout has no impact on customer store loyalty in Sri Lankan supermarkets
H1: Store layout has an impact on customer store loyalty in Sri Lankan supermarkets.

The significant value of above impact is 0.001, which is less than 0.05. Therefore, we can reject the null hypothesis and accept the alternative hypothesis with 95% level of confidence. Further Pearson correlation coefficient for above-mentioned relationship is 0.645. Hence, we can conclude that store layout has an impact on customer store loyalty.

**Hypothesis 02**

H0: Store signage has no impact on customer store loyalty in Sri Lankan supermarkets
H2: Store signage has an impact on customer store loyalty in Sri Lankan supermarkets

The significant value of above impact is 0.001, which is less than 0.05. Therefore, we can reject the null hypothesis and accept the alternative hypothesis with 95% level of confidence. Further Pearson correlation coefficient for above-mentioned relationship is 0.362. Hence, we can conclude that store signage has an impact on customer store loyalty.

**Hypothesis 03**

H0: Store lighting has no impact on customer store loyalty in Sri Lankan supermarkets
H3: Store lighting has an impact on customer store loyalty in Sri Lankan supermarkets

The significant value of above impact is 0.001, which is less than 0.05. Therefore, we can reject the null hypothesis and accept the alternative hypothesis with 95% level of
confidence. Further Pearson correlation coefficient for above-mentioned relationship is 0.454. Hence, we can conclude that store lighting has an impact on customer store loyalty.

**Hypothesis 04**

H0: Store signboards have no impact on customer store loyalty in Sri Lankan supermarkets
H4: Store signboards have an impact on customer store loyalty in Sri Lankan supermarkets

The significant value of above impact is 0.001, which is less than 0.05. Therefore, we can reject the null hypothesis and accept the alternative hypothesis with 95% level of confidence. Further Pearson correlation coefficient for above-mentioned relationship is 0.507. Hence, we can conclude that store signboards have an impact on customer store loyalty.

**Table 07: Summary of Hypotheses Test Results**

<table>
<thead>
<tr>
<th>No.</th>
<th>Hypothesis</th>
<th>Null Hypothesis</th>
<th>Alternative Hypothesis</th>
<th>Level of Relationship</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Store layout has an impact on customer store loyalty in Sri Lankan supermarkets</td>
<td>Rejected</td>
<td>Accepted</td>
<td>Positive</td>
</tr>
<tr>
<td>2</td>
<td>Store signage has an impact on customer store loyalty in Sri Lankan supermarkets</td>
<td>Rejected</td>
<td>Accepted</td>
<td>Positive</td>
</tr>
<tr>
<td>3</td>
<td>Store lighting has an impact on customer store loyalty in Sri Lankan supermarkets</td>
<td>Rejected</td>
<td>Accepted</td>
<td>Positive</td>
</tr>
<tr>
<td>4</td>
<td>Store signboards have an impact on customer store loyalty in Sri Lankan supermarkets</td>
<td>Rejected</td>
<td>Accepted</td>
<td>Positive</td>
</tr>
</tbody>
</table>

According to summary of the Pearson Correlation H1, H2, H3, and H4 are accepted. As a result it emphasis that when above mention accepted variable gets larger the loyalty also tends to get larger. Therefore, it can state that physical evidences like layout, signage, lighting, and signboards are having an impact on customer store loyalty in Sri Lankan supermarkets.

**6. CONCLUSION**

In generally this survey has covered the five major supermarkets in Sri Lanka. The sample is consisted of 100 customers those who are doing shopping at supermarkets. The sample
has been selected randomly to conduct this survey. In this survey, study there was 52% of male respondents and 48% female respondents. They belong to the age range in between 18 to 55 or above 55 years. The majority of the sample represents the private sector employees. Moreover, the rest of respondents categorized, 13% in public sector, 10% in self-employed level and the remaining 32% do not work.

The overall study focused on whether there is an impact on the physical evidence used in supermarkets towards achieving customer store loyalty. For that to be done there were four physical evidence elements selected such as layout, signage, lighting and signboards of supermarkets. And in order to measure the customer store loyalty there were ten questions asked, whereas six questions on revisit intention and the rest four was on word of moth implication. To find out the relationship, Pearson correlation method was used and other than this regression analysis was carried out.

6.2 Key Findings of the Study

According to the analyzed data, 45% of customers do shopping at Cargills Food City. 28% of customers do shopping at Keells Super where as 18% of the customers do shopping on Arpico and the rest do shopping on Sathosa and Laugfs. The major reasons on doing shopping in those supermarkets are due to the convenience, better customer service, reasonable prices and the wide range of selection.

Out of 100 respondents, most of the customers purchase FMCG items in each supermarket. Other than those basic need fulfillments most of the customers now tend to pay their mobile or other bill payments from supermarkets. Out of the 100 respondents 61% do shopping on weekends and the most frequent time of doing shopping was 5pm – 7pm.

When it comes to the findings of store layout most of the respondents have stated that in supermarkets it is easy to find things what they want. This is mainly due to the arrangements in supermarkets. The allocation of goods in department wise is highly attractive. They do prepare their store layout in a manner where customers can easily identify their necessities. Improving traffic flow is also essential at supermarkets in Sri Lanka as most of the respondents complained about crowd density and inadequate store traffic flow.

According to the research findings customers do not feel that much on their store loyalty based on store signage. However, there was some slight improvement on the impact when it comes to the signage with slogan of supermarkets.

The lighting of the supermarkets was the second major influencing element on creating customer store loyalty. The lighting system, which is used in supermarkets, evokes to create customer attraction and improve it into the revisit intention and positive recommendation to others.

When it comes to the signboards of supermarkets those are really influencing on customers to abstract information very quickly. That evidence provides value addition for the supermarkets on getting their attention non-verbally without incurring huge cost. The final analysis of dependent variable showed that there are more tendencies for revisit
intention than word of mouth recommendation due to the impact of physical evidence. This may due to their inner feelings on various aspects of supermarkets, they unintentionally tend to do visit again rather telling someone else thing about the supermarket.

6.3 Implications of the Study

Through the research findings there are several aspects of the customer store loyalty was revealed. Those are in present context customers are moving from general trade to modern trade. This is because the customers can do shopping as they wish: they can compare the price, ingredients, quality and many other things that they expect from products very easily rather than buying whatever the goods given by general trade sellers. The next reason is most of the people love to have family shopping specially in supermarkets. This has become a new trend in supermarkets, most likely on weekend’s customers do shopping with their all-family members. The arrangements of supermarkets, specially managing space and arranging layout in manner to fulfill those requirements are highly important. The lighting system provides unintentional messages to the customers. The lighting has a strong impact on creating customer store loyalty. The lighting provides glamour to the supermarkets and gets customers attracted. The poor lighting systems irritate customers appeal on doing shopping and create negative impact on customer revisit intention and word of mouth recommendation too. Further, the signboards of supermarkets provide non-verbal cues to the customers. Therefore it is highly important to have proper, attractive signboards inside the supermarkets. In supermarkets, customers do shopping on their own. Though there are customer service assistants to help customers, most of them like to enjoy free shopping experience.

The signage did not have that much of impact on customer store loyalty when it compares with other physical evidence such as layout, lighting and signboards. This does not mean that signage has no impact on creating customer store loyalty. However, the relative importance is quite low. Finally these findings supporting the main objective of this research, which is to examine the impact physical evidences on customer store loyalty towards supermarket outlets especially on revisit, positive word of mouth with special reference to supermarkets in Sri Lanka.

The overall study provides comprehensive data on discussing the achievement of specific objectives as well.

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