
**THE INFLUENCE OF SERVICE QUALITY AND PRICING
STRATEGIES ON CUSTOMER SATISFACTION AND LOYALTY
TOWARD CONVENIENCE STORE**

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ABSTRACT

This study determined the influence of service quality and pricing strategies on customer satisfaction and loyalty within the convenience store sector. Using a mixed-method research design, the study combined quantitative descriptive analysis with qualitative insights to explore the factors that drove consumer behavior. Data was collected through a structured survey from 82 respondents selected via convenience sampling from local stores such as 7-Eleven and O-Save. The demographic profile indicated that the primary consumer base consisted of young adults aged 19–25 (32.92%) and female shoppers (60.00%), the majority of whom visited several times a week. The quantitative findings revealed that both service quality and pricing were critical determinants of satisfaction. Service quality, particularly the “human element,” emerged as a significant asset; respondents strongly agreed that employees were polite and friendly (pooled mean of 4.47). Operational efficiency, including staff availability and organized payment processes, also met the high expectations for speed in modern retail (pooled mean of 4.41). Furthermore, the study highlighted that fair and reasonable pricing strategies significantly increased a customer’s willingness to make repeat purchases. The research concluded that a deep integration between service excellence and perceived price fairness was essential for fostering long-term loyalty. However, stores faced a major constraint in maintaining this balance within a saturated market, as negative experiences regarding service speed or high prices could quickly damage a company’s reputation. To address these challenges, the study recommended targeted promotional

strategies for younger demographics, employee reward programs to sustain service standards, and the implementation of digital feedback systems to manage customer concerns proactively.

KEYWORDS: Customer Satisfaction, Convenience Store, Pricing Strategies, Service Quality, Customer Loyalty.

INTRODUCTION

Think about the last time you ran into a convenience store. In our busy “always-on” world, these stores have become more than just places to grab a quick snack; they are lifelines for people who don’t have time to navigate a giant supermarket. But today, there is a 7-Eleven or a local mart on almost every corner. Because there are so many choices, simply being “nearby” isn’t enough to keep a business alive anymore. To survive, stores have to master two main things: how they treat their customers and how they price their products. As Marlina and Wufron (2021) point out, service quality is the ultimate benchmark—it is all about whether a store can meet or even beat the silent expectations of a customer who is in a hurry. When a store gets this right, it builds a sense of trust. According to Indajang et al. (2023), that feeling of satisfaction is the spark that turns a random shopper into a loyal regular.

Research shows that even in a world full of apps and kiosks, the “human touch” still matters. Bhatia & Bhatt (2025) argue that even with more automation, things like “reliability” and “empathy” from staff are what people value most. For someone popping in and out, the feeling that they “saved time” is the biggest win (Kou et al., 2025). This is especially true when comparing a store with friendly staff to a cold, self-service one (Shu, 2025). To stay ahead, a store has to constantly tweak these service factors to keep people coming back (Ariyanto et al., 2024). It also starts from the inside—Mokhtar et al. (2025) note that if the “service climate” behind the scenes is good, the customers will feel it at the counter.

Of course, the price tag is the first thing most people notice. If a price feels fair, the customer feels like they made a smart choice. Modern stores are moving away from simple pricing and toward “value-based pricing,” which focuses on what the customer thinks a product is worth. Molete et al. (2025) found that stores using this approach can see much higher profits. However, pricing is a psychological game. Gijsbrechts et al. (2022) found that we all feel the “sting” of a price increase much more than the joy of a price drop. To soften this, stores use “strategic bundling”—like a meal deal—to make the overall cost feel like a better bargain

(Diao, 2025). Finding a good deal makes us feel good, which makes us more likely to tell our friends about the store (Xie, 2025).

Technology is changing the game here, too. Soni (2025) explains that “cloud computing” helps even small stores change their prices in real-time to stay competitive. In crowded cities, stores often have to compete by being faster rather than just cheaper (Chen et al., 2024). Today, setting the right price requires looking at a lot of data to predict what people want and when they want it (Gajjar, 2025). But at the end of the day, people just want to feel like they aren’t being cheated; “perceived fairness” is a huge part of why we choose one store over another (Li, 2025).

All of this—the service, the price, and the technology—leads to one goal: loyalty. Satisfaction is the bridge that takes a customer from a single purchase to a long-term habit. In today’s “New Retail” world, this means the experience must be “seamless,” whether you are paying with cash or an app (Sun, 2025). In fact, things like mobile checkouts and digital rewards are now sometimes better at keeping people loyal than face-to-face talk (Abubakar et al., 2024). It’s all about making the shopping trip require as little “brain power” or effort as possible (Luo, 2025).

But loyalty is fragile. If a store messes up, they have to fix it fast. He (2025) suggests that “proactive recovery”—fixing a problem before the customer even complains—is the best way to keep them happy. This is vital because a single bad experience can lead to a negative review that spreads like wildfire (Birau et al., 2024). In the digital age, one grumpy comment about an overpriced drink or a rude cashier can drown out dozens of five-star ratings (Zhou, 2025).

Ultimately, this study wants to find out how convenience stores can become a “partner” in a customer’s daily routine (Tang, 2025). Whether it’s by giving the brand a “human” personality (Wu et al., 2025) or using social media to connect with people (Nuseir et al., 2024), stores need a solid plan. By combining great service with fair prices, businesses can build a brand that people truly love (Xue, 2025). This research will help fill the gaps in what we know about how people shop in fast-growing areas today (Zhu, 2025).

RESEARCH METHODOLOGY

This study will employ a mixed-method research design, combining both quantitative and qualitative approaches to gain a more comprehensive understanding of how service quality and pricing strategies influence customer satisfaction and loyalty toward convenience stores. The researcher will also use a convenience sampling technique, wherein respondents are

selected based on their accessibility and availability to participate in the research. A total of 82 respondents were included to ensure that sufficient data are gathered. In gathering the data, the researcher first developed a structured questionnaire based on the study. The questionnaires were distributed to the selected respondents.

The quantitative component of the study will follow a descriptive research design. It aims to measure customer perceptions in a structured way and determine the relationships between key variables such as service quality, pricing strategies, customer satisfaction, and loyalty. Through numerical data, the study can identify patterns—for example, whether better service quality is associated with higher satisfaction, or if fair pricing encourages repeat visits.

The study also includes qualitative research, which seeks to explore the personal thoughts, feelings, and explanations behind customer responses. This allows the researcher to understand why customers feel satisfied or dissatisfied, and what specific experiences influence their loyalty. For instance, a customer may rate service highly but still choose another store due to a single negative interaction—something that numbers alone may not fully explain. By combining these two approaches, the study provides both breadth and depth: the quantitative data offers generalizable findings, while the qualitative data gives deeper insight into real-life customer behavior.

The study will be conducted in selected convenience stores such as 7-Eleven, and O-Save within the local community. These stores are chosen because they are part of customers' everyday routines, making them ideal environments for capturing authentic experiences related to quick purchases, service interactions, and pricing perceptions.

Although convenience sampling may not fully represent all customers, it is appropriate for this study because it captures real-time experiences from actual store visitors. The combination of a larger quantitative sample and a smaller, more focused qualitative group help balance reliability with depth of understanding. Overall, this mixed-method design ensures that the study does not only measure customer opinions but also captures the human side of those experiences, providing a richer and more meaningful analysis of what truly drives satisfaction and loyalty in convenience stores.

RESULTS AND DISCUSSION

The demographic table provides a comprehensive overview of the respondents' characteristics, including age, gender, types of convenience store, and frequency of visiting. This table details the distribution of respondents across various demographic categories, offering insights into the composition of the sample population.

1. Demographic profile of the Respondents

Table 1: Respondents in terms of Age.

Age	Frequency	Percentage
18 below	20	24.39%
19-25 yrs old	27	32.92%
26-32 yrs old	14	17.07%
33-39 yrs old	6	7.32%
40-46 yrs old	5	6.10%
47 and above	10	12.20%
Total	82	100%

Source: *Field Survey 2026*

Table 1 illustrates the age distribution of the people who participated in the study. Looking at the data, the largest group of respondents falls within the 19 to 25-year-old bracket, making up 32.92% (27 individuals) of the total sample. This is followed by those aged 18 and below, who represent 24.39% of the participants.

These results suggest that the primary customers or users of convenience stores are young adults and students. This makes sense, as younger people often seek quick, accessible options for snacks or daily essentials while on the go. In contrast, the data shows a significant drop in engagement among middle-aged groups (33 to 46 years old), indicating that convenience stores may not be the primary choice for older demographics who might prefer traditional markets or larger grocery stores for their needs.

Hasan et al., (2021) confirms that Gen Z and young Millennials are the primary drivers of convenience store growth due to their “on-the-go” lifestyle and preference for immediate gratification.

Table 2: Respondents in terms of Gender.

Gender	Frequency	Percentage
Male	33	40.24%
Female	49	59.75%
Total	82	100%

Source: *Field Survey 2026*

Table 2 presents the gender profile of the respondents. The data shows that the majority of the participants are female, totaling 49 individuals or 59.75% of the sample. On the other hand, male respondents account for 40.24% with 33 individuals. This suggests that women are more frequently visiting or engaging with convenience stores in the study area. This trend might be due to a variety of factors, such as women often taking more responsibility for quick

household purchases or daily food items. Furthermore, Li and Zhang (2022) found that female consumers often exhibit higher frequency in convenience retail visits as they manage quick household replenishment tasks, aligning with the “fill-in” shopping trip theory.

Table 3: Respondents in terms of types of Convenience Store.

Types of Convenience Store	Frequency	Percentage
7-Eleven	57	69.51%
O-Save	14	17.07%
Both	11	13.41%
Total	82	100%

Source: *Field Survey 2026*

Table 3 highlights the specific convenience stores that the respondents prefer to visit. Based on the findings, 7-Eleven is the clear leader, with more than half of the participants (69.51% or 57 individuals) choosing it as their primary store. This is followed by O-Save, which accounts for 17.07% of the responses. Additionally, 13.41% of the respondents mentioned that they shop at both establishments.

The high popularity of 7-Eleven suggests that its brand recognition and wide range of services make it the top choice for most consumers. However, the significant presence of O-Save and the group that uses “Both” indicates that shoppers also value variety or perhaps choose their store based on which one is closer to them at the moment. Overall, the data reflects a competitive market where 7-Eleven holds the strongest influence over local shopping habits. Based on the study of Kim and Park (2023) state that global franchise brands like 7-Eleven leverage superior brand equity and standardized service quality to maintain a dominant market share over local competitors in urban environments.

Table 4: Respondents in terms of Frequency of Visiting.

Frequency of Visiting	Frequency	Percentage
Daily	12	14.63%
Several time a week	33	40.24%
Weekly	22	26.83%
Monthly	9	10.98%
Rarely	6	7.32%
Total	80	100%

Source: *Field Survey 2026*

Table 4 provides an insight into how often the respondents visit convenience stores. The data reveals that the largest portion of the group, consisting of 33 individuals (40.24%), visits

several times a week. This is followed by those who shop on a weekly basis, making up 26.83% of the sample. These findings show that convenience stores are a regular part of the respondents’ lifestyle, with the vast majority visiting at least once a week. This high frequency of visits highlights the essential role these stores play in providing quick access to daily needs. Since most participants are younger individuals, as seen in previous tables, this habit likely reflects their need for fast and easy solutions for food or supplies amidst their busy weekly schedules. Conversely, only a small percentage (7.32%) visits rarely, further proving that these stores are a preferred shopping destination for the community. According to Nguyen et al. (2024), the high frequency of convenience store visits—often exceeding three times per week—is a reflection of the “proximity effect,” where location convenience outweighs price sensitivity for daily essentials.

2. Customer perceive the service quality of convenience store

Table 5 Likert scale Interpretation.

Scale Point	Verbal Interpretation	Range
5	Strongly Agree	4.50-5.00
4	Agree	3.50-4.49
3	Neutral	2.50-3.49
2	Disagree	1.50-2.49
1	Strongly Disagree	1.00-1.49

Table 6: Employee Behavior.

Item Statement	Mean	SD	Verbal Interpretation
The employees speak politely when interacting with customers	4.55	0.69	Strongly Agree
The employees are friendly and approachable with customer	4.57	0.55	Strongly Agree
The employees make customers feel comfortable when asking for assistance.	4.37	0.63	Agree
The employees treat all the customers with respect and equal treatment.	4.45	0.61	Agree
The employees provide clear answer when responding to customer questions.	4.39	0.72	Agree
Pooled Mean	4.47	0.64	Agree

Source: *Field Survey 2026*

Table 6 shows that the respondents generally Agree that the staff exhibits highly professional and welcoming behavior, as indicated by the Pooled Mean of 4.47 (SD 0.64). The most impressive results are that customers “Strongly Agree” that “The employees are friendly and

approachable with customer” (mean 4.57) and “The employees speak politely when interacting with customers” (mean 4.55). These high scores suggest that the store’s human element is one of its greatest assets, as the staff consistently creates a polite and friendly environment that likely makes customers feel valued. The data also reveals strong performance in how employees treat and assist shoppers. Respondents agree that “The employees treat all the customers with respect and equal treatment” (mean 4.45) and that “The employees provide clear answer when responding to customer questions” (mean 4.39). Additionally, customers feel that “The employees make customers feel comfortable when asking for assistance” (mean 4.37). The low standard deviation of 0.64 shows that there is a very strong consensus among respondents regarding these positive traits. Overall, these findings imply that the store has successfully trained its staff to provide high-quality interpersonal service, which is a key factor in building customer trust and encouraging repeat visits. As stated by Bhatia and Bhatt (2025) argue that in high-automation retail, the “human touch” (empathy and politeness) remains the most significant predictor of customer satisfaction and long-term trust.

Table 7: Service Efficiency.

Item Statement	Mean	SD	Verbal Interpretation
The employees show genuine responses to the customers complaint.	4.43	0.67	Agree
The employees are readily available when customer need help	4.48	0.69	Strongly Agree
The employees quickly handle customer request and concern regarding with the product.	4.33	0.68	Agree
The payment process is organized to avoid long waiting time.	4.41	0.72	Agree
The employees provide fast and smooth service.	4.41	0.68	Agree
Pooled Mean	4.41	0.69	Agree

Source: *Field Survey 2026*

Table 7 shows that the respondents generally Agree that the store operates with a high level of efficiency, as shown by the Pooled Mean of 4.41 (SD 0.69). The strongest result in this category is that customers “Strongly Agree” that “The employees are readily available when customer need help” (mean 4.48). This suggests that the store is well-staffed and that employees are proactive, ensuring that shoppers never feel ignored or lost while looking for items.

The data also reflects a smooth operational flow. Respondents agree that “The employees

show genuine responses to the customers complaint” (mean 4.43) and that both the “payment process is organized to avoid long waiting time” and “employees provide fast and smooth service” received high scores of 4.41. Even the item with the lowest mean, “The employees quickly handle customer request and concern regarding with the product” (mean 4.33), still sits firmly in the “Agree” range. With a low standard deviation of 0.69, it is clear that these efficient experiences are consistent for almost everyone. Overall, these findings imply that the store has mastered the “speed of service,” which is a major factor in keeping modern, busy customers satisfied. Efficiency in the payment process is categorized by Kou et al. (2025) as a “hygiene factor,” meaning that while speed doesn’t always delight a customer, its absence is the fastest way to cause dissatisfaction and brand switching.

Table 8: Store Cleanliness.

Item Statement	Mean	SD	Verbal Interpretation
The store shelves are well organized.	4.3	0.90	Agree
The products are properly displayed according to the categories.	4.30	0.75	Agree
The floor surroundings are well maintained	4.38	0.70	Agree
The store ambiance looks neat and presentable.	4.43	0.70	SAgree
The store provides enough space for customers to walk comfortably.	4.34	0.65	Agree
Pooled Mean	4.34	0.74	Agree

Source: *Field Survey 2026*

Table 8 shows that customers generally Agree that the store maintains a high standard of hygiene and organization, as indicated by the Pooled Mean of 4.34 (SD 0.74). The most positive feedback was for the statement “The store ambiance looks neat and presentable” (mean 4.43). This high score, labeled as “Strongly Agree” in the table, suggests that the first impression customers get when entering the shop is very positive, creating a welcoming environment for shoppers.

The data also shows strong consistency in how the store is managed physically. Respondents agree that “The floor surroundings are well maintained” (mean 4.38) and that “The store provides enough space for customers to walk comfortably” (mean 4.34). These scores indicate that the store is not just clean, but also designed to avoid overcrowding, which improves the overall shopping experience. Furthermore, customers agree that “The products are properly displayed according to the categories” (mean 4.30) and “The store shelves are well organized” (mean 4.30). While these are still high marks, the slightly higher standard

deviation for organized shelves (0.90) suggests that some customers might occasionally find certain sections less tidy than others during busy hours. Overall, these findings imply that the store successfully provides a clean, professional, and comfortable space that meets customer expectations for a modern retail environment. According to Goić et al. (2021) demonstrate that the physical environment, particularly cleanliness and shelf organization, serves as a non-verbal cue for overall store management quality and hygiene standards.

Table 9: Product Availability.

Item Statement	Mean	SD	Verbal Interpretation
The store has plenty of product to choose.	4.54	0.65	Strongly Agree
The items I need are usually available in the store.	4.31	0.64	Agree
The product is easy to locate within the store.	4.38	0.68	Agree
The store offers wide variety of budget friendly products.	4.42	0.61	Agree
The store regularly restocks its products.	4.30	0.62	Agree
Pooled Mean	4.39	0.64	Agree

Source: *Field Survey 2026*

Table 9 shows that customers generally Agree that the store does a great job of keeping products available, with a Pooled Mean of 4.39 (SD 0.64). The most impressive result is that customers “Strongly Agree” that “The store has plenty of product to choose.” (mean 4.54). This high score shows that the store’s biggest strength is its wide selection, making it a reliable place where shoppers feel they have many options. The data also shows that customers find the shopping experience convenient and well-stocked. Respondents agree that “The store offers wide variety of budget friendly products” (mean 4.42) and that “The product is easy to locate within the store” (mean 4.38). These scores indicate that the store is not just well-stocked, but also organized and affordable. Furthermore, customers feel confident that “The items I need are usually available in the store” (mean 4.31) and that “The store regularly restocks its products” (mean 4.30). Because the standard deviation is very low at 0.64, it means that almost everyone who shops there has the same positive experience. Overall, these findings imply that the store is effectively meeting customer needs by ensuring that products are always on the shelves and easy to find. Real-time product availability is the core promise of convenience retail; frequent “out-of-stock” incidents are the primary reason for a permanent loss of customer loyalty Chen et al., (2024).

3. Customer perceive the pricing strategies of convenience store

Table 10: Fairness of Price.

Item Statement	Mean	SD	Verbal Interpretation
The prices of product are reasonable.	4.38	0.86	Agree
The store provides good quality products for its price.	4.41	0.74	Agree
The prices of the products are fair compared to others store.	4.3	0.67	Agree
The store provides affordable prices for customers.	4.31	0.79	Agree
The prices of the products in the store are fair.	4.33	0.74	Agree
Pooled Mean	4.34	0.76	Agree

Source: *Field Survey 2026*

Table 10 shows that the respondents generally Agree that the store's pricing is balanced and ethical, as shown by the Pooled Mean of 4.34 (SD 0.76). The data highlights that the store's strongest point is that "The store provides good quality products for its price" (mean 4.41). This suggests that customers don't just see the items as cheap, but rather as high-quality goods that justify the cost, which helps build a strong sense of trust in the brand.

The findings also show high levels of agreement regarding general fairness. Respondents agree that "The prices of product are reasonable" (mean 4.38) and that "The prices of the products in the store are fair" (mean 4.33). Additionally, customers feel that "The store provides affordable prices for customers" (mean 4.31) and that "The prices of the products are fair compared to others store" (mean 4.30). These consistent scores indicate that the business is successfully maintaining a competitive edge in the local market. With a standard deviation of 0.76, the results show that most customers feel the same way about the pricing. Overall, these findings imply that the store has established a reputation for being an affordable and honest place to shop, which is vital for maintaining steady customer traffic. Li (2025) posits that "perceived fairness" in pricing is more important than the actual price point; customers are willing to pay a premium if they perceive the service and location as justifying the cost.

Table 11: Value for Money.

Item Statement	Mean	SD	Verbal Interpretation
The quality of the products is worth the price I pay.	4.34	0.71	Agree
The products in the store provide good value for the money	4.40	0.63	Agree
The store offers products that are worth their price.	4.35	0.60	Agree

The product purchased from the store provide satisfactory value for money.	4.39	0.72	Agree
The quality of the products justifies the price paid.	4.33	0.63	Agree
Pooled Mean	4.36	0.66	Agree

Source: *Field Survey 2026*

Table 11 shows that the respondents generally Agree that they are getting a good deal for their purchases, as indicated by the Pooled Mean of 4.36 (SD 0.66). The findings highlight that the strongest area of agreement is that “The products in the store provide good value for the money” (mean 4.40). This suggests that customers feel the overall benefit they receive from the items outweighs or perfectly matches the cost, which is a major factor in customer satisfaction. The data also reveals high scores for the quality and fairness of the pricing. Respondents agree that “The product purchased from the store provide satisfactory value for money” (mean 4.39) and that “The store offers products that are worth their price” (mean 4.35). Similarly, the statements “The quality of the products is worth the price I pay” (mean 4.34) and “The quality of the products justifies the price paid” (mean 4.33) show very high levels of support. With a low standard deviation of 0.66, the results are very consistent, meaning almost all customers share the same positive view. Overall, these findings imply that the business has successfully aligned its product quality with its pricing, making customers feel confident that they aren’t overpaying. Molete et al. (2025) found that stores utilizing value-based pricing—focusing on the customer’s perceived benefit rather than just profit margins—see significantly higher retention rates.

Table 12: Competitive Pricing.

Item Statement	Mean	SD	Verbal Interpretation
The store provides prices that make me choose it.	4.34	0.74	Agree
The pricing strategy of the store makes me feel confident.	4.22	0.70	Agree
The store provides prices that encourage me to continue shopping.	4.43	0.75	Agree
The store offers prices that feel reasonable for the products.	4.33	0.67	Agree
The store offers prices that fit my budget.	4.37	0.66	Agree
Pooled Mean	4.34	0.71	Agree

Source: *Field Survey 2026*

Table 12 shows that the respondents generally Agree with the store's competitive pricing approach, as indicated by the Pooled Mean of 4.34 (SD 0.71). The results highlight that the store's most effective strategy is that "The store provides prices that encourage me to continue shopping" (mean 4.43). This high score suggest that the pricing is not just fair for a one-time purchase, but it is actually attractive enough to build customer loyalty and keep people coming back. The findings also show strong agreement regarding personal financial fit, with the statement "The store offers prices that fit my budget" receiving a mean of 4.37. Additionally, customers feel that "The store provides prices that make me choose it" (mean 4.34) and "The store offers prices that feel reasonable for the products" (mean 4.33). The lowest score, though still firmly in the "Agree" range, was for "The pricing strategy of the store makes me feel confident" (mean 4.22). The low standard deviations across all items, particularly the 0.66 for budget-fitting prices, show that the respondents are very consistent in their views. Overall, these findings imply that the store has successfully positioned itself as a budget-friendly option that provides enough value to influence customer choice and long-term shopping habits.

4. Relationship between service quality and pricing strategies

Table 13: Service Quality.

Item Statement	Mean	SD	Verbal Interpretation
The staff are friendly and treat customer with respect	4.5	0.59	Strongly Agree
The service is fast and efficient.	4.32	0.70	Agree
The store environment is neat and clean.	4.16	0.84	Agree
The product is well-organized and always available.	4.29	0.71	Agree
The staff always greet and welcome the customer.	4.18	0.85	Agree
Pooled Mean	4.15	0.74	Agree

Source: *Field Survey 2026*

Table 13 shows that the respondents generally Agree with the level of service provided, as indicated by the Pooled Mean of 4.15 (SD 0.74). The most outstanding result in this category is that customers "Strongly Agree" that "The staff are friendly and treat customer with respect" (mean 4.5). This high score, coupled with a low standard deviation of 0.59, suggests that the business excels at interpersonal relations and that the staff consistently provides a welcoming and respectful atmosphere for everyone. The data also indicates strong performance in operational efficiency and inventory management. Respondents agree that "The service is fast and efficient" (mean 4.32) and that "The product is well-organized and always available" (mean 4.29). However, the items with slightly lower scores were "The staff always greet and welcome the customer" (mean 4.18) and "The store environment is neat and

clean” (mean 4.16). While these areas are still positively received, the slightly higher standard deviations (0.85 and 0.84) suggest that there may be occasional inconsistencies in cleanliness or how often customers are greeted. Overall, the findings imply that while the business is highly respected for its staff’s attitude and speed, maintaining a strictly consistent cleaning schedule and greeting routine could further enhance the overall customer experience.

According to Dam & Dam (2021), managers should improve service quality in the eyes Of customers, such as improving facilities, customer commitments, staff-client interaction, readiness to address customer concerns, and readiness to resolve customer problems, because customers have a positive tendency for customer satisfaction and loyalty. Ali et al (2021) clarify that organizations should constantly adjust on factors that Influence service quality to be able to provide their guests with the best values and also state the significant dimensions to lay more emphasis on to enhance service quality since service quality has been revealed as a key factor in the search for sustainable competitive advantage and fulfilling consumers’ requests remains the greatest challenge.

Table 14: Pricing Strategies.

Item Statement	Mean	SD	Verbal Interpretation
The prices are fair and reasonable.	4.3	0.75	Agree
I feel that I am getting my money’s worth when shopping here.	4.30	0.76	Agree
The prices here are competitive compared to others store.	4.11	0.83	Agree
The store offers deals and discounts.	4.21	0.73	Agree
The prices of items are displayed on the shelves.	4.21	0.80	Agree
Pooled Mean	4.22	0.77	Agree

Source: *Field Survey 2026*

Table 14 reveals that respondents generally Agree with the pricing practices of the business, as shown by the Pooled Mean of 4.22 (SD 0.77). The findings show that the most positive feedback comes from the statements “The prices are fair and reasonable” (mean 4.30) and “I feel that I am getting my money’s worth when shopping here” (mean 4.30). These results suggest that the business is highly successful at making customers feel they are receiving high value for their money, which is essential for building long-term loyalThe data also shows a consistent level of agreement regarding how the business communicates its prices and offers. Both the statements “The store offers deals and discounts” and “The prices of

items are displayed on the shelves” received an identical mean of 4.21. This indicates that the store is doing a good job of being transparent and rewarding its customers. However, the statement “The prices here are competitive compared to others store” received the lowest score with a mean of 4.11. While this is still a positive “Agree” rating, it points out a specific area where the business could improve to ensure it doesn’t lose customers to neighboring shops. Overall, the low standard deviation across all items suggests that these positive experiences are shared by almost all customers surveyed.

Pricing strategies improve profitability and customer retention, with promotional and competitive pricing strategies increasing businesses’ sales volumes and premium pricing strategies contributing to higher profit margins (Kaushik & Vaishaali, 2023; Trebicka et al., 2023). However, the emphasis on competitor-based pricing and pricing competence implies that businesses that lack technological and analytical resources may struggle to realise similar benefits, which suggests that pricing strategy alone is insufficient without its complementary capabilities.

5. PROBLEM AND CONSTRAINTS

This scale serves as the criteria for interpretation, providing a verbal interpretation for each numerical result.

Table 15.

Mean Score Range	Weight	Verbal Interpretation
4.21-5.00	5	Extremely Serious
3.41-4.20	4	Very Serious
2.61-3.40	3	Moderately Serious
1.81-2.60	2	Slightly Serious
1.01-1.80	1	Not Serious

Table 16.

Item Statement	Mean	SD	Verbal Interpretation
Availability of products	4.32	0.87	Extremely Serious
Affordability of products	4.23	0.74	Extremely Serious
Convenience of store location	4.16	0.78	Very Serious
Speed of transaction	4.16	0.91	Very Serious
Consistent product pricing	3.93	1.03	Very Serious
Staff attitude and behavior	3.86	1.08	Very Serious
Response of employee to changing customer needs	3.66	1.28	Very Serious
Modernity of equipment/tools	3.72	1.17	Very Serious
Competition from other retail business	3.87	1.04	Very Serious
Lack of enough space for inventory and stocks	4.01	1.03	Very Serious
Pooled Mean	4.00	0.99	Very Serious

Source: *Field Survey 2026*

Table 15 reveals that the respondents generally agree on the various operational hurdles they face, as shown by the pooled mean of 4.00. This data specifically addresses the research question regarding the prevailing problems and constraints encountered by the business. The findings indicate that the most significant pressures are the availability of products, with a mean of 4.32, and the affordability of products at 4.23. These results suggest that the primary concern for the business is the constant struggle to keep items in stock while ensuring prices remain accessible to customers. Furthermore, a mean of 4.01 for the lack of enough space for inventory highlights a major physical constraint that limits how much stock can be managed effectively.

Regarding the research question focused on service and technical limitations, the results show that while still in the “Very Serious” range, the lowest scores were for the response of employees to changing customer needs at 3.66 and the modernity of equipment at 3.72. The higher standard deviations in these areas, specifically 1.28 and 1.17, indicate that there is a wide gap in how different businesses or staff members handle these challenges. This variability suggests that while some are managing well, others are struggling significantly with outdated tools and staff flexibility. Ultimately, these findings imply that for the business to improve, extension services or management should prioritize training programs to enhance employee adaptability and consider investments in modern equipment to reduce service-related losses and improve overall efficiency. In accordance with the study of Tang (2025) identifies that the primary constraint for proximity retailers is the “spatial-inventory trade-off,” where limited square footage prevents a diverse product mix, forcing stores to rely on high-turnover items. Additionally, He (2025) suggests that the failure of staff to adapt to changing customer needs (e.g., digital payment requests or health-conscious options) represents a “service-delivery gap” that modern retailers must bridge through continuous training.

Table 16: Correlation Matrix.

Correlation Matrix						
		employee behavior	service efficiency	store cleanliness	product availability	
Fairness of Price	Pearson's r	0.305	0.386	0.144	0.386	
	df	80	80	80	80	

Correlation Matrix						
		employee behavior	service efficiency	store cleanliness	product availability	
	p-value	.005	<.001	.197	<.001	
Value for Money	Pearson's r	0.374	0.416	0.216	0.443	
	df	80	80	80	80	
	p-value	<.001	<.001	.052	<.001	
Competitive Pricing (2)	Pearson's r	0.339	0.298	0.337	0.464	
	df	80	80	80	80	
	p-value	.002	.007	.002	<.001	

Source: Jamovi 2.7.26

Table 16 presents the results of the correlation matrix analysis between product availability and pricing perceptions ($r = 0.386$ to 0.464). The strongest consistent relationships in this data set are found between Product Availability and the various pricing factors. Specifically, its correlation with Competitive Pricing ($r=0.464$) and Value for Money ($r=0.443$) suggests that customers' perception of price is heavily influenced by whether they can actually find the products they need. When products are consistently in stock, customers are more likely to perceive the store as offering good value and competitive rates. This implies that "value" isn't just about the price tag, but the reliability of the supply. Service Efficiency and Value for Money ($r=0.416$) Service Efficiency shows a moderate positive relationship with Value for Money ($r=0.416$). This indicates that the speed and competence of service delivery significantly contribute to the customer's sense of whether they are getting a "good deal." If service is slow or inefficient, the perceived value of the purchase drops, even if the price itself remains the same. Investing in streamlined service processes is therefore a direct path to increasing the perceived value of the customers spend.

Employee Behavior and Pricing Factors ($r = 0.305$ to 0.374). Employee Behavior has a statistically significant, though more moderate, positive correlation with all pricing metrics, peaking with Value for Money ($r=0.374$). This suggests that friendly, professional, and helpful staff interactions can "soften" the impact of pricing and enhance the overall feeling of receiving a fair deal. While not the primary driver of price perception, positive staff

interactions serve as a critical supporting factor in the customer's economic evaluation of their experience.

Store Cleanliness and Pricing Perceptions ($r = 0.144$ to 0.337). Store Cleanliness shows the most varied results. While it has a moderate correlation with Competitive Pricing ($r=0.337$), its relationship with Fairness of Price is weak and not statistically significant ($r=0.144$, $p=.197$). This indicates that while a clean environment contributes to the professional image of a brand (supporting competitive positioning), it is the least influential factor in determining whether a customer feels a price is "fair."

CONCLUSION

The study concludes that convenience stores are a vital part of the daily routines for a specific segment of the population, primarily young adults aged 19–25 and female shoppers. These individuals visit several times a week, highlighting a strong reliance on these stores for quick access to food and daily supplies amidst busy schedules. 7-Eleven emerges as the dominant brand choice, suggesting that its widespread recognition and service range effectively capture the majority of the local market.

The research shows that service quality is a significant driver of customer contentment, with the "human element" being a standout asset. Customers strongly perceive the staff as polite, friendly, and approachable, which creates a welcoming environment that builds immediate trust. Furthermore, the high level of operational efficiency—specifically the proactive availability of help and organized payment processes—successfully meets the speed-of-service demands of modern consumers.

The findings indicate that pricing is a critical factor in shaping customer behavior and overall satisfaction. When prices are perceived as fair and reasonable, customers are significantly more willing to make repeat purchases and remain loyal to the store. The study suggests that for pricing to be effective, it must be justified by the quality of the service provided, ensuring that the customer feels they are receiving proper value for their money.

The study reveals a deep connection between service quality and pricing, where both factors must align with customer expectations to foster long-term patronage. High-quality service acts as a foundation that can enhance the perceived value of the products, making customers more accepting of the price points. When these two strategies are integrated effectively, they not only increase satisfaction but also encourage customers to recommend the store to others. A major constraint identified is the difficulty of maintaining consistent service excellence while keeping prices competitive in a saturated market. The research highlights that

dissatisfied customers are often very vocal, and a single negative experience regarding slow service or high prices can quickly spread and damage the store's reputation. This creates a significant challenge for store owners who must constantly balance operational costs with the need to prevent customer loss.

RECOMMENDATION

Since the majority of customers are female students and young adults who visit several times a week, the store should introduce targeted "student meal deals" or "after-school bundles" that cater specifically to this group's budget and schedule. By offering discounts on items commonly purchased by these frequent visitors, the store can ensure that these younger shoppers feel seen and valued, encouraging them to keep the store as a staple in their daily routines.

To maintain the high level of trust earned through employee politeness and efficiency, management should implement a "Customer Service Excellence" reward program to motivate staff to keep up their friendly behavior. Regular training sessions that focus on quick problem-solving and proactive assistance will ensure that even during peak hours, the fast and helpful service that customers love remains consistent and professional.

Because pricing is a major factor in whether a customer returns, the store should adopt a transparent pricing policy where high-quality service and product freshness are clearly visible to justify the costs. Periodically reviewing prices against local competitors and offering small "price-match" guarantees or bundle discounts on daily essentials will help customers feel they are getting the best possible value for their money.

The store should focus on a "Value-Added" strategy where the superior shopping experience is used to build a premium brand image that justifies slightly higher price points. By ensuring the store is always clean, well-lit, and staffed with helpful employees, the business creates a perceived value that makes customers less sensitive to price changes, as they are paying for the convenience and positive atmosphere as much as the product.

To address the constraint of vocal dissatisfaction and market competition, management should establish a quick and easy digital feedback system, such as a QR code at the counter, to catch and resolve complaints before they reach social media. By actively listening to customer concerns about service speed or pricing and responding with immediate solutions, the store can protect its reputation and turn potential negative experiences into opportunities for building loyalty.

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