

Service Quality and Customers' Satisfaction Nexus in The Light of Price Perception Moderation

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Abstract

This study is related to customers' satisfaction in modern era towards organized retailers of Pakistan and organized retailers have much importance in the economy of any developed and developing country. Retail industry of Pakistan is the best-growing industry and has many contributions to the Pakistani economy. We strived to understand the importance of service quality and moderating impact of price perception on customers' satisfaction. We collected the questionnaire data from the market of Pakistan and after that used SEM-PLS for data analysis. It divulges that service quality is strongly associated with customers' satisfaction, but price perception is the factor that can modify or distracts the customers' satisfaction.

Keywords: Organized retailers, Price, service quality, customers' satisfaction, and unorganized retailers.

1. Introduction

Recent two decades, the transform of retail industry accelerates the rapid growth (Das, 2016). Consumers are the end-users or beneficiaries in retail activities to fulfill their needs and wants (Srivastava, 2011). Various factors are influencing the mind of customers to select the retail store, whatever retail format is used by retailers (Srivastava, 2011). The modern format of retailing is like rushed, huge and multifarious shopping malls and have an enormous range of products in stipulations of the value of money, quality with tremendous buying occurrence, on the other hand, unorganized retailing typically related to traditional retailing, solitary owned and mostly operated by owners, low cost, small cigarette shops, general stores, kiriyana stores, mom-pops mini-stores, convenience retail outlets, streets shops etc (Singh, 2017).

The retail industry is the fastest growing industry of Pakistan as per the report of World Bank (2019) current retail growth of Pakistan is 13.1%.

Figure 1 shows the retail volume from 2013 to 2018, according to figure retail growth is almost at the same pace from the last 5 years. The retail sector of Pakistan third huge business sector with 16% employment share in the labour force, having 33% shares in service industry and almost 18% share in total GDP of Pakistan (emergingpakistan.gov.pk) (World Bank, 2019). According to Manzoor et al., (2012) unorganized retail market has momentous contribution in the marketplace and almost 95% penetrated (pakistaneconomist.com) in the market and from last three decades, a lot of multinational and as well as local organized retail chains were recognized and gave an explosion to Pakistani retail market. There are some challenges in both formats like unorganized retailers faced some challenges like low-cost infrastructure, price competition, lack of services, environment, technological issues, old-style traditional formats, but in some way, they also have some edge as compare to organized retailers like home delivery services, credit service to the individual customer, strong bonding on an individual level with customer, but on the other hand, these points lack in organized retailing. Organized retailing has the edge of good quality services, brighter environment, good security standards, advanced technology, low price due to bulk purchasing etc.

Euromonitor report recognized that the shopping behavior of the customers is changing day by day. To understand this change we need to

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understand the customers' satisfaction. Some previous studies also were done on customers' satisfaction towards organized retail (Tripathy & Mishra, 2012), comparison analysis on Malaysian and Turkish retail market on service quality by (Fauziah et al., 2013), study on buying behaviour (Perez et al., 2007), study on re-buying intention (Olaru & Peterson, 2008), aggressive and spirited approaches of retailers in grocery retailing (Cameran et al., 2010), customers' expectation towards international or organized retailing (Zehir et al., (2012); Cameran et al., (2010)), the impact of price fairness on customers' satisfaction (Herrmann et al., 2007). Services are the elusive and spectral activities which provide satisfaction towards the product or another service Plessis et al., (2007).

According to Herrmann et al., (2007) price is an important factor and has a significant impact on customers' satisfaction and for understanding the competitive strategies of retailers included product commencement, competitive or promoting pricing strategies, right placement and promotional activities and integrated quality services (Cameran et al., 2010). Baker & Crompton (2000) investigates the moderating impact of involvement in the relationship of customer orientation, customer-contact employees', service quality perception and customers' satisfaction. Hopkins et al (2005) used the cultural identity theory to understand the nature and some core determinants of customers' satisfaction towards services.

So there is gap found that service quality and price perception both have a strong impact on customers' satisfaction so we need to understand the customers' satisfaction towards organized retailers with the impact of quality services and price to evaluate and make some competitive strategies for more growth of organized retailers and as well as understand the reasons behind the satisfaction of customers towards organized retailers.

1.1 Research Question

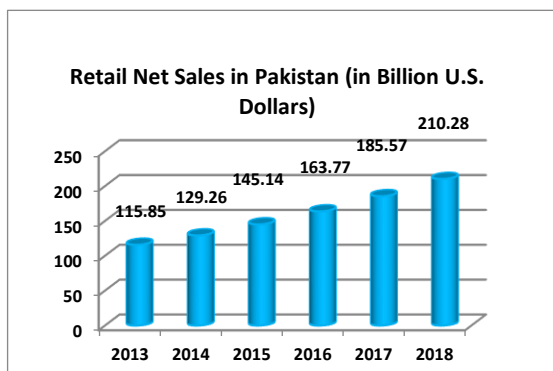


Figure 1. Retail net sale in Pakistan in US Dollars

Q: What is the role of price and quality services on customers' satisfaction towards organized retailers?

Q: Is there any competitive importance of price and quality services between organized retailers?

2. Literature Review

In the contrast of previous studies Kotler and Armstrong (2012) referred that customers' satisfaction depended on numerous indicators which are loyalty, re-purchasing interest, keen to recommend the product, carp desire and repute of the brand (Kotler and Keller, 2012; Razak et al. 2016; Nguyen and LeBlanc, 1998). Another study investigates that cognitive comments and feedback of customers evaluated the experience regarding various service dimensions without including optimistic or pessimistic approach and feelings during the shopping, as per result of findings improvement area were staff training and development activities and need of creating more interaction between staff and customers (Ihtiyar & Sh, 2012). (Tripathy & Mishra, 2012) Investigates the impact of service quality on customers' perception towards organized retailers and they analyzed the negative gap indicated that the perceptions of respondents about the services delivered on organized retail were less than expectations. Staff behavior was the main aspect of this research and tangible aspect was given lower importance as compared to other dimensions of SERVQUAL also compared the SERVQUAL gaps between selected organized retailers. Lee et al., (2019) used the SERVQUAL model to measure the retail quality services and identified the customers' requirements and shopping image towards retail. Patten et al., (2020) used the SERVQUAL model conceptualizes assimilation quality as medium, which plays the concerned and supporting role to emphasize the substantial and electronic products service quality. Some previous crammed studies on the quality services cover the internal association of customer satisfaction (Cameran et al., 2010), the loyalty of customers (Omar & Musa, 2011), buying behavior (Perez, Carrillo, Abad & Fernandez, 2007), re-buying intention (Olaru & Peterson, 2008), marketing sectionalization (Okumus & Yasin, 2007), and also used for some implementing the strategies for a different industry. (Fauziah et al., 2013) worked on comparative study between Turkish and Malaysian retail market on service quality, they explore that Malaysian customers' mostly interested in the physical appearance of quality services which is similar to American customers but Turkish customer mostly believed on personal

interaction and communication like western customers which is related to Asian values on the other hand also investigated that pricing strategy of retailer enhancement and affianced the retailers into the competition; influence the demand of other retailers and linked the customers. It is referred to (Inman, Shankar, & Ferraro 2004) that competitive behaviour and pricing strategies within a retail format or across the retail format plays a tremendous contribution in customers' choice preference towards the retail outlet.

2.1 Customers' Satisfaction

Satisfaction is feelings which are expressed the pleasure or disappointment of a person towards the perceived performance of a product or outcome expectations Kotler and Keller (2012) and also related to perceived perception about the valued relationship which is equal to perceived quality services according to customers' attainment cost and price. Miranda et al., (2018) uses the SERVQUAL to understand the customers' comfort, convenience, connection and customer satisfaction in related to railway industry. However, there is dissimilarity by Tu et al. (2013) which is specified that customers' satisfaction was observed as buying behaviour and re-buying intentions which is escort the future expected revenue and profit of an organization. Customers' satisfaction is related to customers' expectations which are also related to the availability of the goods or products in manner able way with much improvements and satisfaction can be measure according to expectations of the customer about the experience of the customer regarding product or service (Mouri, 2005; Malik et al. 2012).

2.2 Service Quality

Quality is a phenomenon which is variegated by different dimensions like, service performance quality, technical quality and organizational mental picture which is related to output dimensions Gronroos (2000) and three other dimensions are also referred by (Mosahab, Mahamad, & Ramayah, 2010) (Lehtinen and Lehtinen (cited in Harrison, 2000)) were organizational quality, physical quality and interactive quality which were presenting significant role in scrutiny of service quality into the out-put quality and process quality but unfortunately that was not enough for more précised and detailed. Zeithaml et al. (1996) referred ten dimensions for service quality in his some previous researches but later on, he found some sturdy correlation among those dimensions so they reduced these dimensions and combined to

make five folded dimensions like, reliability, responsiveness, assurance, tangibility and empathy to testing the service quality which is known as SERVQUAL model. (Parasuraman et al., 1994) also accentuate that SERVQUAL model for testing the service quality is a reliable and long-lasting and this model is used for a different general spectrum of services spheres like hotel industries, financial institutes, hospitals, libraries etc.

2.3 Price perception

(Kopalle, et al., 2009) Said that price is a primary component of marketing mix which is the only component where every retailer expects customers to take a part of their revenue, decisive price is a competitive force which is played an imperative role at retail outlets. To acquire the product or service customer must forfeit the amount which is viewed as price Zeithaml (1988), mode of exchange in return of the product or service Bei and Chiao (2001) price is money or value against product or service acquired Kotler and Armstrong (2012).

2.4 Conceptual model and hypotheses development

For the understanding of customer satisfaction towards organized and unorganized retailers we used SERVQUAL model, which is developed by Parasuraman, Zeitham & Berry (1985) it is most referred and validated scale of service quality. Initially, SERVQUAL model was included 22 items but later on decreased and categorized in five items due to strong correlation between all the 22 items and categorized five items are tangibles, reliability, responsiveness, assurance and empathy. Selected items are dis-confirmative dimensions to identify the gap between customers, expectations and customers' satisfaction and it is utilized and referred in various marketing literature settings by (Cameran, Moizer & Pettinicchio, 2010; Bouman & Van Der, 1992) and also used for retail stores by (Mehta, Lalwani & Han, 2000; Dabholkar, Dayle & Joseph, 1996). So we also used price perception as a moderator between SERVQUAL and customers' satisfaction because Oliver (1997) analyzed that, customers evaluate the price in accordance to service quality which turns the customers' satisfaction towards negative or positive. Previous studies suggested that price perception can be evaluated by two methods, one is that to compare the price reasonability by other competitors and 2nd is that to price should be reasonable according to quality of services involved Cheng et al. (2008), high-quality services costs high (Chittyet al., 2007), price influenced the customers' retention

customers' (Peng & Wang, 2006), satisfaction significantly influenced by price perception (Oliver,

1997; Peng & Wang, 2006; Cheng et al., 2008; Kim et al., 2008). Figure 2 shows the proposed model for assessment, which is developed by our self.

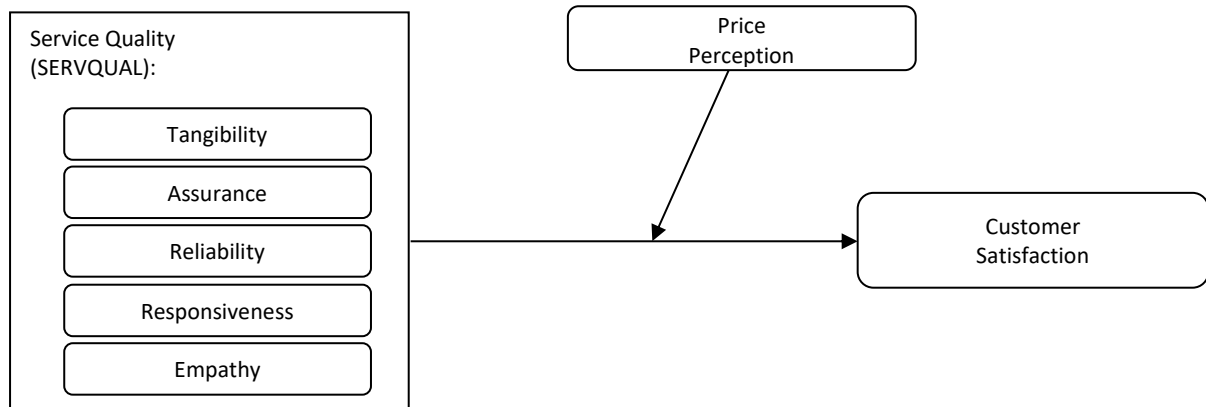


Figure 2. Proposed Model

2.4.1 Tangibles

Tangibility involves the practical usage of product or services Mersha et al., (2012), included corporal facilities like types of equipment and personnel (Parasuraman et al., 1985). Belwal & Amireh, (2018), indicates that tangibles don't have any impact on customer loyalty in telecom industry as compare to other industries like restaurant and hospitals. Brady et al., (2001) concluded that tangibility of the services is used by customers as an alternative to analyzing the outcomes of the services. So, these previous related studies referred to the mentioned below hypothesis.

H1. Tangibility has a significant impact on customers' satisfaction towards organized retailers.

2.4.2 Reliability

It's a most utilized indicator to assess the service quality and important predictor to analyze the customers' satisfaction (Wolfinbarger and Gilly, 2003), illustrate the ability of an organization to deliver the superior quality services (Abu Khalifeh and Som, 2012), gauging the accuracy and dependability and performance of services (Parasuraman et al., 1988; Kumar et al., 2010). Belwal & Amireh, (2018), used the reliability as a dimension of SERVQUAL to understand its impact on customer loyalty and they get positive result in terms of telecom industry. Customers' perception was significantly persuaded by reliability (Cui et al., 2003; Ladhari et al., 2011). Furthermore, to understanding the impact of reliability on CS mentioned below hypothesis generated towards organized retailers.

H2. Reliability has a significant impact on customers' satisfaction towards organized retailers.

2.4.3 Responsiveness

Responsiveness is significantly and positively related to customers' satisfaction (Magnini et al., 2007) yearning, eagerness and keenness of service providers to assist or help the customers and provide the prompt or quick services (Abdullah et al., 2011). Providing prompt response to the customer to help them, speed of reaction plays an important role Parasuraman et al., (1985, 1988). Based on previous arguments, mentioned below hypotheses were generated.

H3. Responsiveness has a significant impact on customers' satisfaction towards organized retailers.

2.4.4 Assurance

Assuring that employee of an organization have the knowledge and complete information about the product or services and have the ability to inspire and make trust, confident and be well-mannered with customers (Kumar, et al., 2010; Arasli et al., 2005). assurance have positive association with customer loyalty towards telecom industry's (Belwal & Amireh, 2018). A measurement of interface relationship between firms and customers, also included respect, appreciation, enthusiasm and friendliness among customers and employees (Kumar et al., 2009), assurance extremely envisages and evaluate the customers' satisfaction Siddiqi (2011). Related to previous studies and arguments following hypothesis were posited.

H4. Assurance has a significant impact on customers' satisfaction towards organized retailers.

2.4.5 Empathy

According to (Parasuraman et al., 1988) empathy includes the care and attention towards customers

on individual basis, individually interaction with customers and prefers the services to them according to their preferences (AbuKhalifeh and Som, 2012). Siddiqi (2011) stated that customers' satisfaction is highly influenced by empathy and also Kumar et al., (2009) argued that services must be rendered to customers as per their interest, it's can be convenient, and must understand every customers' needs and wants. Belwal & Amireh, (2018), used the empathy to understand the association with customer loyalty and doesn't get any association towards telecommunication industry. Based on previous studies following research hypotheses were generated.

H5. Empathy has a significant impact on customers' satisfaction towards organized retailers.

2.4.6 The Moderating and direct role of Price Perception

Price is an economical assessed value which is places by an organization on product and services rendered by them and customers perceived that high price means highly eminence value quality products and services vice versa (Narteh, 2016; Service quality and customer satisfaction in Ghanaian retail banks: the moderating role of price). According to Gerrard and Cunningham, (2001) pricing strategies are related to service,

according to services it will be low or high or maybe unfair, unreliable or deceptive. Toncar et al., (2010) stated that service quality perceptions of customers significantly influenced by price expectations of customers, customers can bear to pay the expected price according to quality services. Previous studies show that there is a significant impact of PP between SQ and CS, to understand that impacts towards organized retailers following research hypotheses were posited.

H6. Price perception has a significant impact on CS towards organized retailers.

H7. Price perception has a moderating impact between tangibility and customers' satisfaction towards organized retailers.

H8. Price perception has a moderating impact between reliability and customers' satisfaction towards organized retailers.

H9. Price perception has a moderating impact between responsiveness and customers' satisfaction towards organized retailers.

H10. Price perception has a moderating impact between assurance and customers' satisfaction towards organized retailers.

H11. Price perception has a moderating impact between empathy and customers' satisfaction towards organized retailers.

Table 1. Demographics of Respondents (N = 621)

Items	Frequency	%	Items	Frequency	%
Gender			Age (yrs)		
Female	178	28.7%	18-25	117	18.8%
Male	443	71.3%	26-30	209	33.7%
Income			31-35	150	24.2%
less than 10000	81	13.0%	36-40	85	13.7%
10001-20000	36	5.8%	41-50	44	7.1%
20001-30000	75	12.1%	51-60	13	2.1%
30001-40000	88	14.2%	61 and above	3	0.5%
40001-50000	89	14.3%	Education		
50001-70000	65	10.5%	Under Metric	8	1.3%
70001-90000	74	11.9%	Metric	12	1.9%
90001-120000	47	7.6%	Intermediate	39	6.3%
120001-150000	26	4.2%	Graduate	229	36.9%
150001 and Above	40	6.4%	Master and above	333	53.6%
Occupation			Shopping Frequency		
Jobless	37	6.0%	Weekly	180	29.0%
Student	41	6.6%	Fortnight basis	82	13.2%
House Wife	9	1.4%	Monthly	311	50.1%
Govt. Job	32	5.2%	Quarterly	48	7.7%
Private	448	72.1%			
Business	54	8.7%			

Table 2. Item measurement properties

Constructs/Items	F. L	CA	rho_A	CR	AVE
Tangibles		0.92	0.93	0.94	0.69
T1	0.89				
T2	0.85				
T3	0.82				
T4	0.75				
T5	0.81				
T6	0.84				
T7	0.84				
Reliability		0.92	0.94	0.94	0.68
RT1	0.90				
RT2	0.76				
RT3	0.87				
RT4	0.80				
RT5	0.78				
RT6	0.85				
RT7	0.80				
Responsiveness		0.93	0.94	0.95	0.72
RP1	0.89				
RP2	0.84				
RP3	0.83				
RP4	0.84				
RP5	0.81				
RP6	0.87				
RP7	0.84				
Assurance		0.80	0.81	0.91	0.83
A2	0.90				
A3	0.92				
Empathy		0.89	0.90	0.92	0.69
E1	0.90				
E2	0.82				
E3	0.81				
E4	0.79				
E5	0.83				
Customers' Satisfaction		0.95	0.95	0.96	0.75
CS1	0.86				
CS2	0.82				
CS3	0.88				
CS4	0.85				
CS5	0.87				
CS6	0.89				
CS7	0.89				
Price Perception		0.86	0.87	0.90	0.59
PP1	0.79				
PP2	0.72				
PP3	0.74				
PP4	0.78				
PP5	0.81				
PP6	0.77				

Table 3. Correlations

	A	CS	E	PP	RP	RT	T
A	0.91						
CS	-0.15	0.87					
E	-0.18	0.41	0.83				
PP	-0.07	0.53	0.20	0.77			
RP	-0.07	0.38	0.18	0.22	0.85		
RT	-0.14	0.60	0.27	0.35	0.41	0.82	
T	-0.05	0.58	0.05	0.29	0.30	0.60	0.83

3. Methodology

3.1 Measurement development and data collection

The main purpose of this study to understand the importance of price perception between service quality and customers' satisfaction towards organized retailers of Pakistan. Simple convenience data sampling technique is used to collect the data. We collected the data from the customers during the shopping from organized retailers. Total 660 forms were distributed to the customers' and a total of 50 questions were used for the survey including demographics. From 660 questions we selected 621 forms because 39 forms were not properly filled and also multiple answers ticked by

customers which were not acceptable according to our questionnaire. The questionnaire is followed from (Singhal, (2016); Narteh (2016); Fauziah et al., (2014); Perez et al., (2007); Krishna et al., (2010); Hisam et al., (2016)), and after some changing and include some self-developed questions then verified the data with different kind of tests like CFA, rho_A, data reliability, AVE and CR. Multiple items were used to increase reliability and validity of data which is measured by the 5-Likert scale, like 1 for strongly agree to 5 is for strongly disagree. The mostly 5-Likert scale is used in researches because less than 5 and more than 7-Likert scale are less accurate.

Table 4. Direct impact on customers' satisfaction

	Paths	Path Coefficient (β)	T-Statistics	P Values	Decision
H1	Tangibility -> Customers' Satisfaction	0.35	5.74	0.00	Positively Supported
H2	Reliability -> Customers' Satisfaction	0.10	2.25	0.03	Positively Supported
H3	Responsiveness -> Customers' Satisfaction	0.17	2.62	0.01	Positively Supported
H4	Assurance -> Customers' Satisfaction	-0.03	2.03	0.04	Negatively Supported
H5	Empathy -> Customers' Satisfaction	0.27	6.45	0.00	Positively Supported
H6	Price Perception -> Customers' Satisfaction	0.29	6.40	0.00	Positively Supported

Table 5. Moderating impact on customers' satisfaction

	Paths	Path Coefficient (β)	T-Statistics	P-Values	Decision
H7	Tangibility * Price Perception -> Customers' Satisfaction	-0.05	0.87	0.38	Not Supported
H8	Reliability * Price Perception -> Customers' Satisfaction	0.13	2.22	0.03	Positively Supported
H9	Responsiveness * Price Perception -> Customers' Satisfaction	0.13	2.39	0.02	Positively Supported
H10	Assurance * Price Perception -> Customers' Satisfaction	0.03	0.50	0.62	Not Supported
H11	Empathy * Price Perception -> Customers' Satisfaction	-0.16	3.10	0.00	Negatively Supported

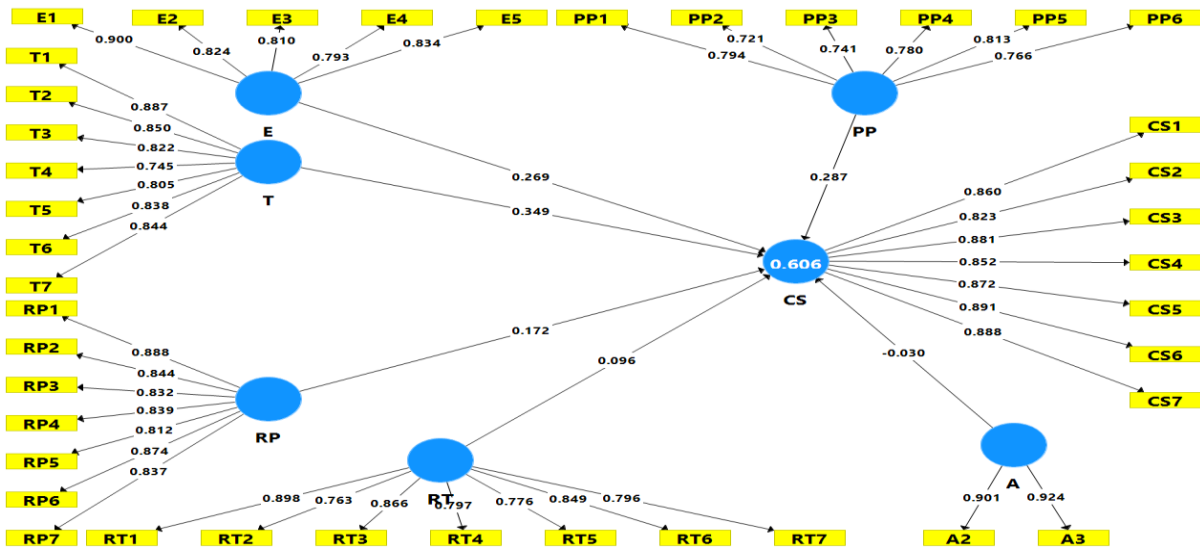


Figure 3. Path coefficient or direct impact on customers' satisfaction

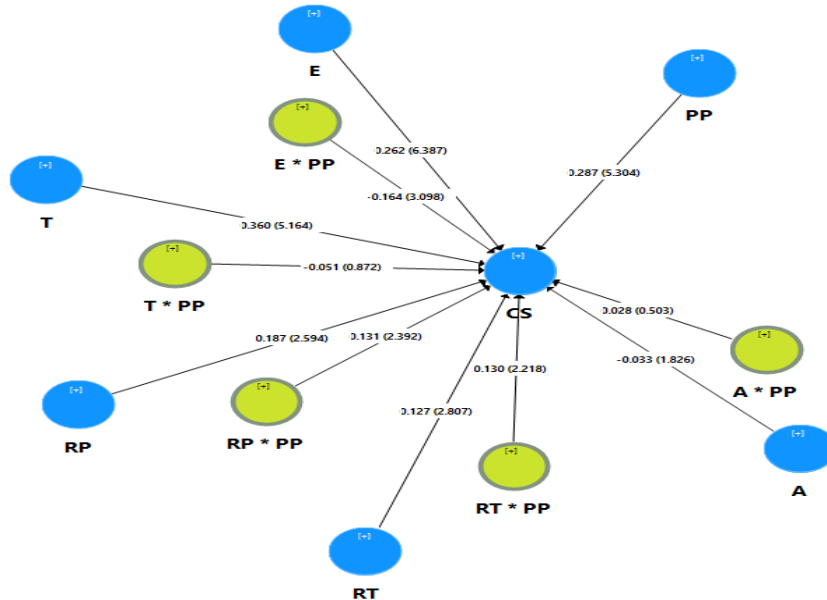


Figure 4. Moderating impact on customers' satisfaction

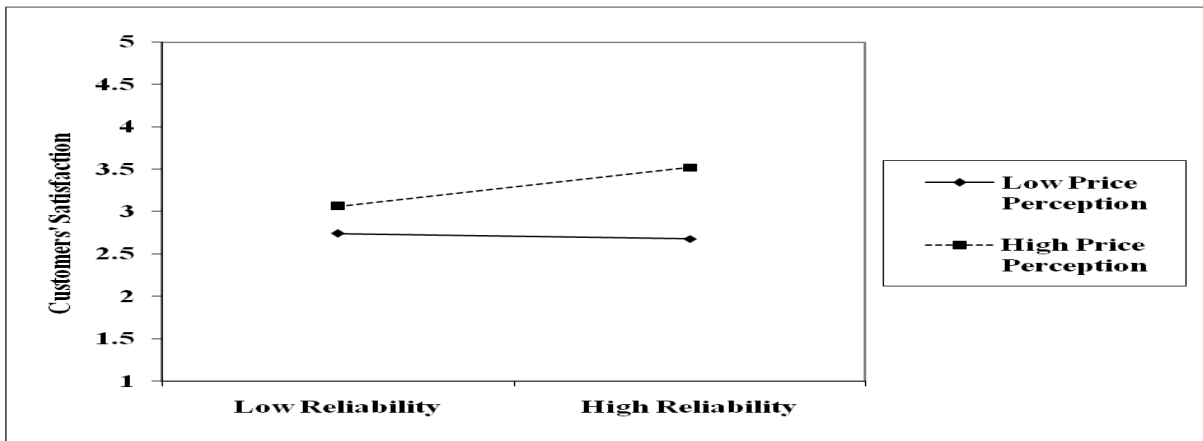


Figure 5. Moderating graph of price perception between reliability and customers' satisfaction

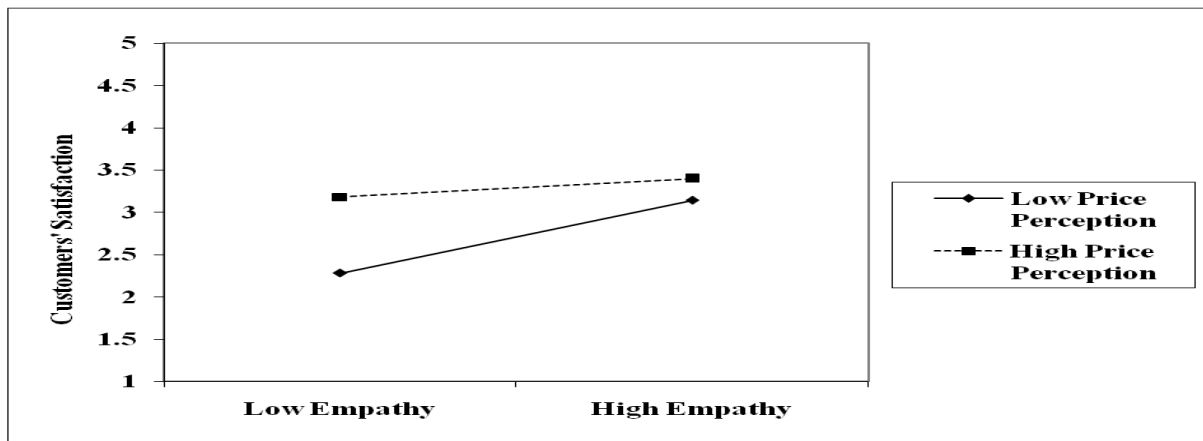


Figure 6. Moderating graph of price perception between empathy and customers' satisfaction

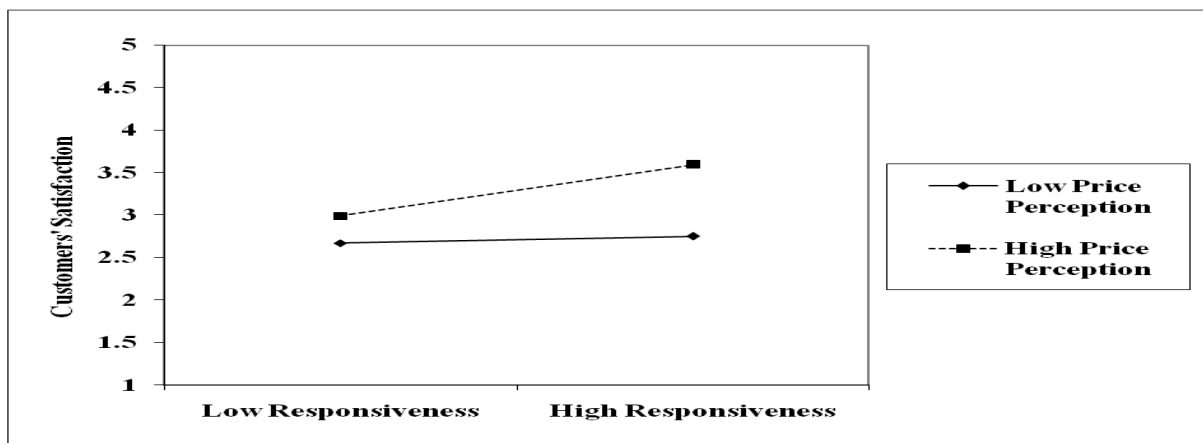


Figure 7. Moderating graph of price perception between responsiveness and customers' satisfaction

3.2 Data Analysis

SEM-PLS was used for validation of the developed research model (Wong, 2013). The authors used the Smart-PLS 3.0 software for data analysis (Ringle et al., 2015) to implement the PLS-algorithms with bootstrapping set to 5000 subsamples (Hair et al., 2011). The authors' decision to use SEM-PLS is due to the complexity of the model so PLS is believed to be the preferred selection (Hair et al., 2016). PLS is the most preferred way of testing the dimensions' measurement and structural model.

3.3 Results

3.3.1 Measurement of model

Summarized results about the demographics are shown in table 1 which consistent with previous studies. Several indicators like indicator reliability, rho_A, convergent validity, discriminant validity and internal consistency were used to verification and validation of the measurement model (e.g., Ab Hamid et al., 2017; Chin, 2010; Hair et al., 2016; Lomax and Schumacker, 2004) (Ab Hamid et al.,

2017). All the indicators were excluded with loading less than 0.7 followed the Hair et al. (2016). Therefore A1, A4 and E6 were removed for accurate results. All the indicators like, loadings, Cronbach's-alpha (CA) which is evaluated the internal consistency (Cronbach, 1951), Dillon-Goldstein's rho (RHO) (Dillon and Goldstein, 1985), Fornell's composite reliability (CR) (Fornell and Larcker, 1981) and variance extracted (AVE) (Ref) are shown in Table 2. All standard values for each construct is higher than cut off values like 0.7 for RHO, CR and CA and 0.5 for AVE (Chin, 1998; Fornell and Larcker, 1981; Hair et al., 2011). It's indicating that all the factors are robust concerning internal consistency.

Fornell-Larcker criterion (Fornell and Larcker, 1981) was used to verify the discriminant validity which examines that the association between two factors or constructs is stronger than that between specific factors or construct and its indicators. The square root of AVE for each construct is larger than the correlation among the current and other constructs so that's why discriminant validity is confirmed (Chin, 2010). All the values of

discriminant validity and the square root of AVE are shown in table 3.

3.3.2 Structural Model

The hypothesized structural model was then projected to evaluate path estimation and overall model-fit. According to analysis demonstration data is fit and acceptable. As per results the main fit indices are: Chi-square = 5022.96, SRMR = 0.056, NFI = 0.767 and RMS theta = 0.121. The constructs and the particular paths report for a significant section of the variance in the endogenous constructs posited.

Figure 3 shows the outer loading of items and value of path coefficients between the variables and these results of hypothesis testing are indicated in Table 4. Results show the direct relationship of six proposed hypothesis, out of six hypotheses only one hypothesis is negatively significant to customers' satisfaction and that is Assurance and the remaining five were positively significant to customers' satisfaction. Results reveals that the customers' satisfaction influenced by "Assurance" ($\beta = -.03$, $p < .05$), "Empathy" ($\beta = .27$, $p < .001$), "Responsiveness" ($\beta = .17$, $p < .05$), "Reliability" ($\beta = .10$, $p < .05$), "Tangibility" ($\beta = .35$, $p < .001$), "Price Perception" ($\beta = .29$, $p < .001$). The authors figured out the explained variance (adjusted R^2 value (Chin, 2010)). Value of adjusted R^2 .606 which is indicating that model is explained highly predictive almost 61%. The results show that dimensions of SERVQUAL model and Price perception explained 61% variation in customers' satisfaction. Figure 4 indicates the value of path coefficient and t-values which are representing the moderating effects of price perception.

Detailed results are shown in Table 5 which represents that moderating effects of price perception between assurance and customers' satisfaction and tangibility and customers' satisfaction are insignificant while the results show that price perception is negatively significant between empathy and customers' satisfaction and remaining two hypotheses like moderating effect of price perception between reliability and customers' satisfaction and responsiveness and customers' satisfaction is positively significant. Results shows that the hypotheses like, H7 ($\beta = -.05$, $p > .05$), H8 ($\beta = .13$, $p < .05$), H9 ($\beta = .13$, $p < .05$), H10 ($\beta = .03$, $p > .05$), H11 ($\beta = -.16$, $p < .01$).

Figure 5, 6 and 7 show the slopes for these interactions, figure 5 illustrated that reliability is positively related to customers' satisfaction when price perception is high, same as in figure 6 responsiveness is positively related to customers'

satisfaction when price perception is high but unfortunately in figure 7 empathy is negatively related to customers' satisfaction when price perception is high. Whereas price perception has no moderating relation with assurance and tangibility towards customers' satisfaction.

3.4 Discussion

The evaluation of Smart-PLS path model proves that all the dimensions of SERVQUAL model have a positive and significant impact on customers' satisfaction. According to Krishna et al., (2010) customers' satisfaction is highly influenced by service quality and service quality attracts the customers towards retail stores (Singhal, 2016), so our study also reveals that service quality is basic requirements of every customer. But price perception can leave an impression on customers' satisfaction. Dabholkaret al., (1996) reveals that the dimensions of SERVQUAL model easily modified to understand and evaluate the retail service quality so our study proves that price perception can diversify the relation between service quality and customers' satisfaction. As moderator price perception have positive and significant impact on customers' satisfaction with reliability and responsiveness but unfortunately price perception hurts customers' satisfaction with empathy and no impact found with assurance and tangibility.

3.5 Conclusion

According to results, we found that organized retailers are highly concerned to service quality and ability to attract customers which is very impressive for customers' retention, also found highly relationship with service quality and customers' satisfaction. Organized retailers have the edge to enhance their service qualities to retain customers and increase their customers' growth because in future organized retailers will be a big part of the economy. We found that price perception also has an important role to retain and serve the customers. Our study suggests some strategies to organized retailers and retail organizations in terms of service quality as well as price perception like improved service quality in the term of service quality advancement, add some technological aspects in service quality to enhance customers, speed of service should be as per customers' demand, suggest the quality service to the customer not only show the services but also make some strategies to competitive price to enhance the customers, give more benefits in the term of price, make some discounted promotional activities with the help of retail organizations, retail

organizations must cooperate the organized retailers in term of discounts, quick services, product availability, product quality product image etc. We also suggested some strategies to the government for the enhancement of organized retailers because retail industry has a big share in the economy of Pakistan, recommended strategies are like some special ease on tax issues, business registrations and motivate the local and as well as international retail chains to invest more and more in the market of Pakistan to boost their economy.

3.5.1 Theoretical and Practical Implications

Our study and findings will be implacable on retail industry in the terms of profoundly strategies which can be related to customers' satisfaction. Government must have to perform their role to control the prices which will be affordable for the customers. This research will help the organizations to emphasize and understand the depth knowledge of customers' market preference according to their prices. they can relate their prices with quality services and plan accordingly for targeted strategies. In future retail industry will have tough competition in terms of internal competition, organized vs unorganized retailers' competition, price war, brand war etc.

3.5.2 Limitations

During this research we have found some limitations due to shortage of time and COVID-19. Covid-19 affected most to get the data easily so that's why we can't collect the data more for more accurate results.

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