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# Factors Affecting Customer Satisfaction When Buying Wine in Ho Chi Minh City

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#### ABSTRACT:

The goal of this study is to organize and identify elements that influence consumer satisfaction while purchasing wine. A qualitative study focus group discussion and an online quantitative survey were used as research methods. The study use SPSS 20.0 to assess the model's reliability using Cronbach's Alpha and EFA. According to the study's findings, five elements have a favorable impact on consumer satisfaction. When assessing factors impacting customer satisfaction, the results of ANOVA analysis revealed that there was no difference between the survey groups when gender, age, income, and employment were included. Some of the findings of this study provide management implications for improving quality and increasing customer happiness.

Keywords: beverage, customer's satisfaction, hospitality, wine

## 1. Introduction

Wine has progressively been a favorite drink of many Vietnamese people in recent years, particularly businesses who frequently interact with consumers. making every interaction feel more natural and effortless This benefits both the Vietnamese wine market and the global wine industry. The popularity of wine is attributed to the wide range of excellent types available at comparable rates, ranging from those with average earnings to businesspeople with a high standard of life. Everyone can find the perfect wine. According to the Vietnam Alcohol and Beverage Association (2022), the nation already has around 15 wine production and bottling firms, with yearly output rising by 12-13 million liters. Famous wine brands from across the world are also present in the Vietnamese wine market. According to General Statistics Office data, imported wine has climbed by nearly 25% every year. France is the top wine supplier in Vietnam, followed by Chile, Italy, Spain, and the United States. Every year, the number of wines from these nations grows. Despite the challenging economic environment, Italian and French wine imports into Vietnam increased by up to 20% last year. Many Italian and French wine businesses are targeting Vietnam since it has the finest wine market in Asia, with a 10% growth rate. Over the years, France has always been the leading supplier of wine to Vietnam. The second in the field of wine distribution in Vietnam are importers from Chile. According to statistics from Chilean Customs, this country exports to Vietnam a wine worth 10 million USD.

As a country with a relatively high yearly alcohol consumption, the emergence of imported wine is like a breath of new air in the Vietnamese wine market, which has been protected for a long time. and become strong Natural display firms cannot afford to miss up a great business opportunity that will result in many times more income. As a result, imported wine increasingly dominated the Vietnamese wine business, edging away all competitors and taking the top spot. Because of the enormous competitive potential, domestic wine providers all play promoting their pictures; nevertheless, it is impossible to prevent the risk of fake goods, low-quality goods floating on the market, confusing customers.

## 2. Literature review

According to Hansemark and Albinsson (2004), "satisfaction is a general consumer attitude toward a service provider, or an emotional reaction to the difference between what customers expect and what they receive in terms of the fulfillment of a need, objective, or desire." Customer satisfaction refers to the reality that consumers create subjective assessments or judgements based on their understanding of a product or service. It is a psychological emotion that occurs once a customer's requirement is met. Customer satisfaction is established via experiences, particularly while acquiring and utilizing items or services. Customers will have a comparison between reality and expectations after purchasing and utilizing the goods, allowing them to choose if they are happy or not. Customer satisfaction is also determined by perceived performance and expectations. The consumer's perception of the product or service experience is referred to as perceived performance. Customers set their own customer satisfaction goals before making a transaction. This is also why people begin seeking for further information at this stage, such as reviews, comparisons, alternatives, and so on. At this stage, the website, content marketing efforts, and presence on other review sites make a difference. Customer feedback and tales also help. Rajeev (2018) Muhammad, Y., Nurhilalia and Aditya, K. (2019) efforts to increase customer satisfaction and loyalty can also be realized if supported by the selection of a proper product distribution channel. Because distribution has a vital role in the movement of goods from producers to end consumers or end-users. One crucial factor in smoothing the flow of goods and services distribution from producers and consumers in choosing the right distribution channel used in the business of

products and services distribution. So that what is the goal of the company can be achieved following what has been planned and predetermined. Errors in selecting distribution channels can slow down and can even cause bottlenecks in the supply of goods and services from producers to consumers.

#### 3. Research Methodology

In the data analysis phase of this report, both qualitative and quantitative research methodologies will be employed to create and determine aspects impacting consumer satisfaction. To find elements influencing consumer satisfaction, qualitative research based on local and overseas research materials is collected. This study will employ the focus group discussion approach. Discuss the study with professionals and lecturers with relevant knowledge. Then, to complement and finish the questionnaire, seek feedback from the group discussion.

The process of gathering and interpreting numerical data is known as quantitative research. It may be used to discover patterns and averages, to make predictions, to verify causal linkages, and to generalize results to larger groups. The following elements influencing customer satisfaction will be measured using the SPSS 20.0 data analysis technique: Analyze the scale's reliability using (Cronbach's Alpha), exploratory factor analysis (EFA), the influence of variables using regression analysis, and the differences in customers based on gender, age, income, and occupation. The questionnaire is meant to measure the effect of variables on satisfaction using a 5-level Likert scale (from absolutely disagree to agree).

This study contained 24 factors that were observed. According to Hoang Trong and Chu Nguyen Mong Ngoc (2008), the number of observations (sample size) should be at least three or five times the number of variables in the EFA factor analysis. According to Hair et al. (2010), the sample size should be equal to or larger than 100, with the smallest sample having the necessary ratio of 5 observations for each variable. N = 5k and N > 100 samples (k is the number of variables). This topic's questionnaire has 24 variables. As a result, the minimal sample size is N = 5 x 24 = 120. Tabachnick and Fidell (2013) propose that the sample size for regression analysis be defined as n 50+8m (m is the number of independent variables). As a result, the sample size for this study should be 50 + 8 x 5 = 90 observations. Tabachnick and Fidell (2013) state that the minimal sample size is 90. To secure a sample size of 120, the author will create an increase of 40% of the minimal sample size since he will have to discard unacceptable questionnaires during data collection. So the minimal number of questionnaires sent to the survey is  $120 \times (100 + 10) = 132$  observations. So 132 surveys (120 surveys) satisfy the conditions for exploratory factor analysis. As a result, the minimal number of questionnaires sent to the survey is  $120 \times (100 + 10) = 132 \text{ observations}$ . So 132 surveys (120 surveys) match the requirements for exploratory factor analysis and are eligible for regression analysis (90 observations).

#### 4. Research result and discussion

Targets		Quantity	(%)
Sex	Male	82	62.1
	Female	50	37.9
	Other	5	3.8
Age	From 16 – 20 years old	0	0.0
	From 20 to25 years old	2	1.5
	From 25 to 30 years old	2	1.5
	Over 30 years old	128	97.0
	Civil servant	28	21.2
0	Private company employee	87	65.9
Occupation	Student	5	3.8
	Self-employed	86	65.2
Income	Under 15 million dong	2	1.5
	From 15 to under 25 million dong	10	7.6
	From 25 to under 35 million dong	115	87.1
	Above 35 million dong	5	3.8
Total		132	100,0

Table 1. The general information of the respondents

In terms of gender are mostly men with 82 surveys, accounting for 62.1%. In terms of age: Among 132 surveys, the survey with the age group over 30 years old accounted for the largest proportion with 128 surveys (with 97.2%); next is the survey group from 25 to 30 years old with 2 surveys accounting for 1.5%; Next is the survey group with the age from 20 to 25 years old (also 1.5% with 2 surveys), no customers from 16 - 20 years old conducted the survey. In terms of income: Among 132 surveys, the survey group with income From 25 to under 35 million dong accounted for the largest proportion with 115 surveys, accounting for 87.1%; Next is the survey group with income from 15 million to under 25 million/month with 10 surveys, accounting for 7.6%; Next is the survey group with income Above 35 million dong with 5 surveys, accounting for 3.8%. The last is the group with income under 15 million/month with 2 surveys, accounting for 1.5%, the research found that there is a big difference between survey subjects with different income levels.

In terms of occupation: In 132 surveys, the survey group of students accounted for only 3.8% (accounting for 5 surveys). Next is the survey group of Civil servants with 28 surveys (accounting for 21.2%); Next, the survey group is self-employed, accounting for 65.2% with 86 surveys. Finally, the survey group accounted for the highest proportion for 86, with 65.2% surveys. Thereby, the research found that the survey group all had diverse working positions.

The reliability of the official scale by testing the reliability of the scale using the Cronbachs Alpha coefficient and exploratory factor analysis (EFA). The results of the reliability analysis of the scale are as follows

Table 2. Cronbach's Alpha reliability test results and KMO

Factor	Number of variables observe	Cronbach's Alpha	Coefficient minimum total variable correlation	Cronbach's Alpha if the variable type is smallest value	Conclusion
Service	4	0.837	0.603 (SV4)	0.774 (SV2)	Qualified
Product	4	0.794	0.557 (PD3)	0.725 (PD2)	Qualified
Promotion	4	0.846	0.548 (PM4)	0.764 (PM3)	Qualified
Price	4	0.828	0.599 (PR4)	0.757 (PR3)	Qualified
Brand	4	0.782	0.590 (BR1)	0.769 (BR2)	Qualified
Satisfaction	4	0.785	0.582 (ST4)	0,788 (ST2)	Qualified

The scale has good reliability, according to the study, because the Cronbach's alpha coefficient for all independent variables is more than 0.6. Furthermore, the least adjusted item-total correlation of the variables is larger than 0.4. Furthermore, if the Cronbach's alpha for a deleted item is larger than 0.6, the research suggests that the scales are reliable. However, in order to make the above assertion more accurate, the author did an exploratory factor analysis (EFA). There are several tables in the output, all of which contribute to the rating of the EFA analysis results as excellent or negative. However, the research here concentrates on three primary findings tables: KMO and Bartet's Test, Total Variance Explained, and Rotated Component Matrix, since we may assess the suitable EFA analysis results using these three tables.

Table 3. KMO and Bartlett's Test of independent variables

KMO coefficient	0.810	
Bartlett's test of sphericity	Sig Bartlett's Test	0.000

KMO coefficient = 0.810 > 0.6 means that the correlation between the observed variables is large enough to conduct factor analysis. This indicates that the correlation between the observed variables is significant enough to warrant factor analysis. Sig Bartlett's Test = 0.000 < 0.005, indicating that the extracted factors are suitable and the observed variables are associated. EFA (exploratory factor analysis) is so applicable.

Table 4. Factor loading of independent variables

	Componen	Component				
	1	2	3	4	5	
SV3	0.865					
SV1	0.798					
SV2	0.792					
SV4	0.643					
PD1		0.792				
PD2		0.792				
PD3		0.782				
PD4		0.741				
PM3			0.808			
PM2			0.792			
PM1			0.757			
PM4			0.639			
PR3				0.812		

PR2		0.793	
PR4		0.731	
PR1		0.602	
BR2			0.765
BR1			0.726
BR3			0.701
BR4			0.662

The rotation matrix findings suggest that the 20 observed variables are grouped into 5 factors. There are no problematic variables, and all observed variables have factor loading coefficients larger than 0.5. As a result, the scale is highly reliable. According to the findings of the research, the scale has excellent reliability and may be used to investigate the variables influencing consumer happiness. Furthermore, the scale from the 5 original components (20 observed variables) is still extracted into 5 components with 20 observed variables following exploratory factor analysis. The key parameters include dependability and value level.

Analyze the difference in customer satisfaction between survey groups with different demographic characteristics

Table 5. Synthesis analysis ANOVA

Variables	Levene statistics (sig)	T-test (sig)	Anova (sig)	Conclusion
Gender	0.394	0.807		There is no difference
Age	0.778		0.541	There is no difference
Income	0.601		0.733	There is no difference
Occupation	0.483		0.543	There is no difference

In the gender factor, Levene's Test sig score = 0.394 > 0.05, so the variance between the two sexes is not different. The sig value T-Test = 0.807 > 0.05 shows that there is no statistically significant difference in the satisfaction level of the respondents of different genders. In the factors of age, income, and occupation of the respondents, the Levene's Test sig is all greater than 0.05, so the variance between the choices of the factors above is not different. The sig ANOVA coefficient of the age factor = 0.541 > 0.05, the income factor = 0.733 > 0.05 and the occupation factor = 0.543 > 0.05 shows that there is no statistically significant difference in the level of satisfaction of respondents from different age groups, incomes and occupations. The Synthesis analysis ANOVA table illustrates the reasoning that there is no difference in the factors affecting the satisfaction among the survey groups with gender, age, income, and occupation differences when analyzing ANOVA and T-test.

#### 5. Recommendation

Product quality has a significant impact on consumer satisfaction. As a result, when a firm decides to introduce a product, it must always ensure that the product is of the best quality when it reaches consumers. Customers will develop faith and confidence in a high-quality product. And, of course, if the product meets the user's expectations, they will return and suggest it to others. The product's quality is reflected in its design, color, design, and consumer preferences.

Aside from product quality, pricing is another important aspect that influences customer happiness. And, when two products are of same quality, it is apparent that the location with the more competitive prices would attract clients and grab a larger market share. When firms provide lower pricing than competitors, sales and profit may suffer. However, do not worry too much, pay attention to the immediate benefits, because when the price is competitive, the number of goods sold of your company will also increase significantly and from that revenue and profit. It will also be much better.

Consumers may be eager to absorb new product developments, but they are hesitant to adopt a new brand. Alternatively, in a brand awareness study. When asked why they choose the products and services of this brand above others, they responded As a result, brand awareness or brand familiarity is a significant element in customers' purchase decisions. Online shopping has become more popular than ever, particularly in the context of the 4.0 age.

Promotion, in addition to the reasons described above, is a key aspect in enhancing customer happiness. The offer policy available here is a buy one, get one free deal. Policy rewards for loyal customers In addition, many firms employ a bonus program for exceptional occasions. It might be a winning scratch card or a lottery ticket. Not only is assured quality and a low price important, but so is client service. Customers will never forget the emotions they experienced. The concentrated attention to customers is a crucial aspect to making it easier for our items to reach customers' hands.

#### 6. Conclusion

The primary goal of this study is to determine the elements that influence customer happiness. To suggest answers and ideas for improving and optimizing quality. The majority of respondents feel that the model's recommended variables are important for describing the aspects impacting customer satisfaction,

according to the findings of the focus group. Create a questionnaire based on the demographic parameters of the questioned consumers and conduct interviews with 132 customers as the official database for the thesis.

Cronbach's alpha test findings suggest that the independent and dependent variables are reliable. Furthermore, 20 observed variables are divided into 5 independent factors and 4 observed variables are divided into 1 dependent component. These are employed in the exploratory factor analysis stage of the EFA. The regression coefficients, on the other hand, are solid enough to assist the study in determining that customer satisfaction aspects have an influence. In terms of the influence of customer personal characteristics, the authors evaluated the difference in customer satisfaction with the survey group by age, education, income, and various occupations in this study. When evaluating ANOVA, the findings demonstrate that there is no variation in customer satisfaction between observation groups with varying gender, age, education level, income, and occupation.

#### Conflict of interests

None

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