
ASSESSING CUSTOMER CARE SERVICES AND SALES VOLUME OF SMALL SCALE RETAIL BUSINESSES: A CASE STUDY OF MPANGA AND KABUNDAIRE MARKETS IN FORT PORTAL TOURISM CITY.

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ABSTRACT

The study looked at the connection amongst small businesses' sales volume and their client service offerings in the Kabundaire and Mpanga markets. Developing the relationships among promotional materials and quantity of sales, afterwards service and sales volume, and buyer engagement and sales volume of small scale retail enterprises in Kabundaire and Mpanga Markets, Fort Portal City, received particular attention. In order to conduct this investigation, the study used both quantitative and qualitative methods in an approach known as survey research. Additionally, the correlational research design was used. The study found that promotional materials in small-scale retail establishments draws in a lot of customers, that packaging is used to boost sales levels in small-scale retail enterprises, that products from small-scale retail organizations are guaranteed to be secure inside the container, and that promotional materials in small-scale retail organizations enables the product to reach the client in the most cost-effective manner. The key findings also showed that at the Kabundaire and Mpanga markets, services following the sale lengthen interactions with consumers and provide a foundation for growing sales, that after-sale assistance influence the choices that consumers make to buy goods in smaller companies, and that customer loyalty rises with an increase in after-sale services. According to the study, customer focus serves as a key component for the efficient concentration in order of small retail enterprises. It also influences sales volume, current and future profits, and customer motivation, all of which contribute to the viability of tiny retail enterprises over the long term. It was therefore recommended

that the market vendors should set relatively low price for their products. Since they do not set its price below that of competitors they might be out competed since most Ugandans are price sensitive, they always buy the cheapest items. So any business that sets its price low takes the advantage over the other.

Key words: customer care services , sales volume and small scale retail businesses

Background of the study

Any service provided to a consumer is referred to be a customer support service, claims Balunywa (2003). In fact, there have been so many academic attempts to define customer service that everyone in business must not only focus on the product he or she is delivering, but also provide those who are being targeted with excellent service. Balunywa added that most administrators have yet to adopt the idea of customer service because it is still a relatively new one.

In order to optimize your customers' pleasure with your firm, you must implement mechanisms for customer care service. Keeping consumers satisfied should be a top priority for all enterprises because it affects sales and profits.

Businesses ought to continuously search for methods to go above and beyond for their clients because doing so shows them you care and gives them a "Feel Good factor" (Kotler, 2008).

Individuals will spend up to 10% more for the same product with better service, according to a study by the University of Cambridge and the Dawin Initiative (2001). When clients receive excellent support, they typically tell 10-12 people, whereas when they receive poor service, they typically tell 20+ people. Clients are more likely to make a subsequent purchase from a seller with whom they were pleased (82%), while the likelihood that a client will never return to a business due to subpar service is 91%.

Additionally, Coulell N. (2011) used an expression that was similar to that of the study, defining sales volume as the quantity or total sales of goods or services over a specific time period. According to a recent study by the Local Economic Development Association of Uganda on company monthly income, the majority (43%) of small scale retail enterprises reported making a median monthly profit of more than UGX 300,000. However, according to MLHUD (2013), a third of individuals employed in small-scale manufacturing or trade—the primary economic activity—earned less than UGX100,000.

Statement of the problem

Any operation or advantage that one party can provide to another that is mainly invisible and does not lead to the possession of anything is referred to as providing customer care. Regardless of government initiatives to improve company operations in Fort Portal Tourism City, a portion of Mpanga and Kabundaire market vendors have identified cases of a low number of clients and low sale the volume as key areas of concern in these markets (Daily Monitor June 7 2019). This has led to a decline in sales for small scale retail businesses in Fort Portal Tourism City. Poor customer care services, which are a crucial component of any business' ability to survive, are to blame for this.

According to the Market and Agricultural Trade Improvement Programme (MATIP 1) Project, which was carried out by the Ministry of Local Government with assistance from the African Development Bank, the government of Uganda established Mpanga Market in Fort Portal Tourism City and renovated Kabundaire market with a significant amount of small scale retail businesses (MoLG, 2014). The project assisted to strengthen the market's financial and social framework, resulting in increased production and marketing of agricultural products, increased vendor incomes, decreased losses following harvest, more jobs, and improved client satisfaction. Because the market is in a town and includes modern amenities including stores, driveways, a daycare center, and a steady supply of water, among other things,

vendors at Mpanga and Kabundaire Market want to increase their sales. The amount of merchandise sold continues to be low notwithstanding the up-and-down business conditions at Mpanga and Kabundaire Market.

The purpose of doing this investigation was to close a knowledge gap about the association amongst service quality and volume of sales in the Mpanga and Kabundaire Markets, Fort Portal Tourism City.

Specific Objectives of the Study

- 1. To assess the relationship between packaging and sales volume of small scale retail businesses in Fort Portal Tourism City.*
- 2. To establish the relationship between after sale services and sale volume of small scale retail businesses in Fort Portal Tourism City.*
- 3. To examine the relationship between customers' attention and sales volume of small scale retail businesses in Fort Portal Tourism City.*

Research Questions

- 1. What is the relationship between packaging and sales volume of small scale retail businesses in Fort Portal Tourism City?*
- 2. What is the relationship between after sale services and sales volume of small scale retail businesses in Fort Portal Tourism City?*
- 3. What is the relationship between customer attention and sales volume of small scale retail businesses in Fort Portal Tourism City?*

Methodology

Research design

This investigation was carried out using a survey research design in the study. To describe trends in response patterns and to test the study's objectives or hypotheses, this was done using surveys and statistical analysis of the data. Surveys' ability to gather data from substantial population samples led to the choice of this approach. Additionally, the correlation research design was used. This design, according to Margin and Hunt (2004), is used when an investigator wants to know how naturally happening variables relate to one another. This made it possible for the investigator to look at whether or not customer service affected market sales volume.

Population of the study

The study individuals consisted of small scale retail establishments in Mpanga and Kabundaire Market, Fort Portal Tourism City, with a total number of 300 small scale retail establishments. Of these enterprises, 75 dealt with secondhand goods shops, 95 with general-purpose retailers that transport a wide variety of goods, 80 with stores that only sold one type of product, like women's apparel or personal care products, and 50 with demonstrate products, which are unique displays of a store. Business General Report for Fort Portal for 2019.

Table 1 show the distribution of study population in different lines of business.

<i>Second hand goods</i>	<i>75</i>
<i>General stores</i>	<i>95</i>
<i>Single line stores</i>	<i>80</i>
<i>Display merchandise</i>	<i>50</i>
<i>TOTAL</i>	<i>300</i>

Source: (Fort Portal Commercial General Report 2019)

Sample size

According to Drucker (2013), sample size was the proportion of responses drawn from everyone in the community. 169 samples were found, and they included small-scale businesses retail shop owners from the Mpanga and Kabundaire marketplaces in Fort

Portal Tourism City. Of these, 45 dealt in second-hand items, 55 ran general stores, 40 operated single-line stores, and 29 dealt in showcase goods. In this study, 169 participants were chosen at random from 169 samples in the hopes that they would provide the required details and responses. Krejcie and Morgan (1970), who used the table to calculate the sample size for a particular demographic, were used to determine the number of participants in the study.

Table 2 shows sample size

<i>N</i>	<i>S</i>	<i>N</i>	<i>S</i>	<i>N</i>	<i>S</i>
<i>40</i>	<i>36</i>	<i>280</i>	<i>162</i>	<i>1800</i>	<i>317</i>
<i>50</i>	<i>44</i>	<i>300</i>	<i>169</i>	<i>2000</i>	<i>322</i>
<i>55</i>	<i>48</i>	<i>320</i>	<i>175</i>	<i>2200</i>	<i>327</i>

Source: Krejcie and Morgan (1970)

Sampling procedure

When the population that was of interest was not homogeneous, the study used the method of stratified random sampling (Mugenda, 2003). The stratified random sampling method involved two steps. After stratifying the target humanity, components from each stratum were chosen by simple random sampling. Since the small retail establishments in Fort Portal Tourism City were not uniform, a stratified method was employed to choose the strata. These establishments comprised merchants in second-hand products, dealers throughout all stores, merchants in single-line stores, and proprietors of display commodities.

Data collection tools / instruments

In order to provide sound, tangible, and reliable study findings, surveys were used during the data collection procedure. Therefore, in order to gather data, the investigator used surveys.

The handful of subjects were given structured questions to complete. The people who responded were directly questioned about their responses, and the researcher afterwards gathered the other distributed surveys. Since a lot of participants were surveyed, they had enough of time to think and express one another, and a lot of data was gathered in a relatively short amount of time, surveys were deemed acceptable.

Data analysis

On the basis of the varied responses, it involved classifying, debating, describing, and summarising the answers to each inquiry in coding frames. With the use of the study tool, information gathered from the field was organized into useful categories. This made it possible for the investigators to identify crucial characteristics in the data that could structure the lecture. The structured information was summarized using SPSS, which was used for analyzing the data. This allowed for easy understanding of the results.

RESULTS

Table 3: Showing line of businesses

<i>Line of businesses</i>	<i>Frequency</i>	<i>Percent</i>	<i>Cumulative</i>
<i>Second hand goods</i>	45	28.1	28.1
<i>General stores</i>	55	34.4	62.5
<i>Single line stores</i>	40	25	87.5
<i>Display merchandise</i>	20	12.5	100.0
Total	160	100.0	

Source: Primary Data, 2022

Table 3 shows that in order to provide a better understanding of the issue, 45 (28.1%) specimens were chosen from second-hand item retailers, 55 (34.4%) specimens from broad terms store retailers, 40 (25%) specimens from single-line store organizations, and 20 (12.5%) specimens from display goods businesses. Because the investigator required firsthand knowledge to conduct the study, participants were approached personally, and the study carefully elicited their opinions on the topic at hand. These results suggest that information was gathered from workers in every division of the company.

The relationship between packaging and sales volume of small scale retail businesses in Kabundaire and Mpanga Markets

The first objective of the study was to evaluate the relationship between after sale services and sales volume of small scale retail businesses in Kabundaire and Mpanga Market, Fort Portal Tourism City. Findings are presented in table 4.5 below.

Table 4: How packaging influences sales volume

<i>Statement of inquiry</i>	<i>Response in percentage (%)</i>					
	<i>S.A</i>	<i>A</i>	<i>N.S</i>	<i>D</i>	<i>S.D</i>	<i>Total</i>
<i>In small scale retail businesses, packaging attracts many</i>	41.9% (67)	36.3% (58)	3.7% (06)	11.2% (18)	6.9% (11)	100

<i>customers</i>						
<i>Packaging is carried out to increase sales levels to the small scale retail business</i>	30% (48)	46.9% (75)	8.1% (13)	3.1% (05)	11.9% (19)	100
<i>Items from small scale retail businesses are safe and secure inside the package</i>	35% (56)	31.9% (51)	5% (08)	18.1% (29)	10% (16)	100
<i>In small scale retail businesses, Packaging allows for the product to reach the consumer in the most economical way</i>	25% (40)	41.9% (67)	6.9% (11)	11.8% (19)	14.4% (23)	100
<i>Small scale retail businesses with packaging services have many customers</i>	45% (72)	15% (24)	8.8% (14)	11.2% (18)	20% (32)	100
<i>Most small scale businesses that have grown successfully have taken packaging seriously</i>	28.1% (45)	33.8% (54)	8.1% (13)	6.9% (11)	23.1% (37)	100

Source: primary data (2022)

Table 4 above demonstrates that in small scale retail companies, promotional materials attracts a lot of customers, which accounts for 78% of the total valid responses, 77% of the people who responded agreed that wrapping is done to boost sales levels to the small scale retailing company, items from tiny scale retail companies are guaranteed to be secure inside the package, calculating for 67% of the participants, and in small scale retail organizations, 67% of the participants agreed that promotional materials allows for the product to reap the benefits of its presentation, according to the individuals who responded.

The relationship between after sale services and sales volume of small scale retail businesses in Kabundaire and Mpanga Markets

The second objective of the study was to evaluate the relationship between after sale services and sales volume of small scale retail businesses in Kabundaire and Mpanga Markets, Fort Portal Tourism City. Table 6 below presents the findings.

Table 5: How after sale services influence sales volume

Statement of Inquiry	Response in percentage (%)					
	S.A	A	N.S	D	S.D	Total
After sale services lengthens interactions with customers and provides basis for increasing sales	50% (80)	21.9% (35)	6.2% (10)	15% (24)	6.9% (11)	100
After sale services play a role in the client's decision to purchase goods in small scale businesses	61.2% (98)	30% (48)	1.9% (03)	3.8% (06)	3.1% (05)	100
After sale services is an element differentiating me from my competitors in small scale businesses	54.4% (87)	26.8% (43)	8.1% (13)	6.3% (10)	4.4% (07)	100
The loyalty of customers increases	45%	30%	10%	6.9%	8.1%	100

<i>with increasing after sale services</i>	(72)	(48)	(16)	(11)	(13)	
<i>After sales services play an important role in customer satisfaction and customer retention</i>	55% (88)	28.8% (46)	3.1% (05)	6.9% (11)	6.2% (10)	100
<i>After sale services strengthen the bond between business and customers</i>	40% (64)	38.1% (61)	11.9% (19)	3.1% (05)	6.9% (11)	100

Source: primary data, 2022

Regarding the lack of after-sales assistance, Table 6 demonstrates that at Kabundaire and Mpanga markets, services following the sale improve customer relationships and provide a basis for boosting revenue, contributing to 72% of the replies, after-sales services play a role in deciding whether or not to buy goods in smaller companies 91%, afterwards services are an element distinguishing me from other vendors in small scale organizations 81%, and the lifetime commitment among clients increases.

The relationship between customers' attention and sales volume of small scale retail businesses in Kabundaire and Mpanga Markets

The third objective was to find out the relationship between customers' attention and sales volume of small scale retail businesses in Kabundaire and Mpanga Markets, Fort Portal Tourism City. Findings are presented in table 4.7 below.

Table 6: How customers' attention influences sales volume.

Statement of Inquiry	Response in percentage (%)					
	S.A	A	N.S	D	S.D	Total
<i>Customer attention works as an ingredient for effective concentration of small scale retail businesses.</i>	66.9% (107)	21.2% (34)	5% (08)	3.8% (06)	3.1% (05)	100
<i>Small scale retail businesses with high customer attention grow faster than</i>	71.9% (115)	16.9% (27)	00% (00)	10% (16)	1.2% (02)	100

<i>other businesses</i>						
<i>Customer attention increases the sales volume of small scale retail businesses.</i>	56.9% (91)	15% (24)	3.7% (06)	20% (32)	4.4% (07)	100
<i>Current and future profits in small scale retail businesses depend on customer attention</i>	61.9% (99)	16.9% (27)	1.2% (02)	13.1% (21)	6.9% (11)	100
<i>Customer attention makes the small scale retail business more attractive</i>	51.3% (82)	23.7% (38)	10% (16)	15% (24)	00% (00)	100
<i>Customer attention gives customers motivation which gives long life sustainability to small scale retail businesses</i>	75% (120)	18.8% (30)	1.9% (03)	4.3% (07)	00% (00)	100

Source: primary data, 2022

Customer attention boosts the sales value of small scale retail enterprises by 72%, future earnings in small scale retail organizations depend on customer focus 79%, and the consumer consideration makes the small scale retail organizations more profitable 88% of the answers provided in Table 6 show that client consideration works as a requirement for efficient focus of inadequate scale retail companies.

Relationship between customer care and sales volume in Kabundaire and Mpanga Markets

Table 7: Showing if there is a relationship between customer care and sale volume

Response	Frequency	Percentage
Yes	138	86.3
No	22	13.8
Total	160	100

Source: Primary Data, 2022

As illustrated in the Table 7 above, all the study respondents 138(86.3%) were able to indicate that there was a strong relationship between customer care and sale volume at Kabundaire and Mpanga Markets as none of the respondents was in a disagreement with the same statement and a yes or no response question was administered.

Table 8: Showing the kind of relationship between customer care and sale volume

Relationship	Frequency	Percentage
<i>Positive</i>	138	86.3
<i>Negative</i>	22	13.8
Total	160	100

Source: Primary Data 2022

The results of the study showed that 138 respondents, or 86.3%, claimed that the relationship is favorable and provided justifications such as; client education and advice regarding services and products available ensures an effective connection between clients and market vendors, fostering loyalty and guaranteeing clients are retained; it additionally stated that the rewards and incentives procedures guarantees customers remain clients of the business.

In contrast, 22 (13.8%) of the 30 respondents who agreed that there is a link between customer service and sale value made the case that the association is unfavorable. The study got informed that customer care existing at Kabundaire and Mpanga Markets is inappropriate thus customers are de-motivated to commit their loyalty to the market vendors.

Table 9: Analysis of Sales volume

Statements of inquiry	Response in percentage (%)					
	S.A	A	N.S	D	S.D	Total
<i>Sales volume of the small scale retail business depend on the number of</i>	50% (80)	30% (48)	00% (00)	15% (24)	5% (08)	100

<i>customers received per day</i>						
<i>Most small scale retail businesses may use successful packaging to boost sales volume</i>	30% (48)	36.2% (58)	11.9% (19)	18.8% (30)	3.1% (05)	100
<i>Greater sales volume is a result of after sale services in most small scale businesses in the world</i>	38.1% (61)	21.9% (35)	3.1% (05)	28.8% (46)	8.1% (13)	100
<i>My sales volume will increase when much attention is given to my customers in small scale retail business</i>	65% (104)	20% (32)	00% (00)	13.1% (21)	1.9% (03)	100
<i>Sales volume in small scale retail businesses have increased due to the type of goods sold</i>	25% (40)	29.4% (47)	20% (32)	16.8% (27)	8.8% (14)	100
<i>Sales volume in small scale retail businesses increase as the business grows</i>	43.7% (70)	30% (48)	8.1% (13)	14.4% (23)	3.8% (06)	100

Source: primary data (2022)

As can be seen in table 9 above, many participants agreed that the small retail company' sales volume depends on the amount of clients it receives each day, which comprises 80% of the total. The majority of small-scale retailers may utilize efficient packaging to increase sales volume, representing for 66% of the total. In the majority of small-scale enterprises around the world, afterwards services contribute to increased sales volume (60%); in small retail stores, I'll sell more when I pay particular attention to my consumers (85%); sales volume has grown in small retail enterprises due to the nature of the products sold (54%); and sales quantity in small retail organizations increases as the business expands (75%). In a related literature, Coulell (2011) defined sales volume as the number of units sold during a specific

accounting period or the applicable Adjustment Period in the United States of America. Copyright study.com (2003) deviated from Comb pub (2004) by defining sales volume as the amount of products sold over a period of time.

Table 10: Pearson correlation analysis of the relationship between customer care and sales volume

		<i>Customer care</i>	<i>Sale volume</i>
<i>Customer care</i>	<i>Pearson correlation</i>	1	0.764**
	<i>Sig. (2.tailed)</i>	.	.000
	<i>N</i>	160	160
<i>Sale Volume</i>	<i>Pearson correlation</i>	.764**	1
	<i>Sig. (2.tailed)</i>	.	.000
	<i>N</i>	160	160

****Correlation is significant at the 0.01 level (2-tailed)**

From the table above, findings show that there is a strong positive relationship between customer care and sales volume at Pearson correlation coefficient $r = 0.764$, and $p = 0.000 < 0.05$. This implies that customer care affects sales volume by 76.4% and 23.6% by other factors.

Conclusions

There was a strong positive relationship between customer care and sales volume at Pearson correlation coefficient $r = 0.764$, and $p = 0.000 < 0.05$. This implied that customer care affects sales volume by 76.4% and 23.6% by other factors.

Recommendation

They should be knowledgeable about your products or services, able to communicate effectively, and have problem-solving abilities. Empower them to make decisions that benefit the customer and improve the overall shopping experience.

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