

IMPACTS OF THE PERCEIVED VALUE ON THE SATISFACTION OF CUSTOMER WHEN THEY CONSUME SAFE VEGETABLES IN HANOI

● NGUYEN HOANG NAM

ABSTRACT:

The study aims to evaluate the influence of perceived value factor on the satisfaction of customer when they consume safe vegetables in Hanoi. 315 customers are surveyed in this study and the structural equation model analysis' results show that while the factors of functional, economic, and emotional value on the customer satisfaction, the factor of social value has an unclear impact on the satisfaction of customers when they consumes safe vegetables in Hanoi. Based on the study's results, some implications are made to help safe vegetable businesses improve the satisfaction of their customers and develop safe vegetable market.

Keywords: safe vegetable, perceived value, customer satisfaction, Hanoi.

1. Introduction

Sustainable consumption and consumption towards health benefits are gradually becoming an inevitable trend in countries due to challenges from the living environment, disease risks, and environmental pollution. Therefore, agribusinesses strive to provide products that guarantee health and adhere to safe production processes (Zhang et al., 2018). In Vietnam, safe vegetable production is being assessed as having great potential for development, with the market's growth rate reaching a high level due to advances in awareness of sustainable consumption (Ngo et al., 2020). However, the market development activities of enterprises still need to be improved due to a lack

of understanding of customers' behavior and consumption trends.

Hanoi currently has more than 13,000 vegetables of all kinds, of which over 5,000 hectares are certified for safe production. In particular, Hanoi has formed 101 concentrated, safe vegetable production areas with a scale of 20 hectares or more. The market size for safe vegetables has also increased significantly, which is reflected in the availability of this item in different distribution channels, such as supermarkets, stores specializing in selling safe vegetables, and even online shopping channels.

Although the relationship between perceived value and customer satisfaction is familiar in

marketing research. However, this connection's importance in theory and practice has attracted great scholarly attention, many of which have been consistently proposed over the decades (Cronin Jr et al., 2000). In particular, in the context of the changing business environment, when the consumer trend gradually shifts to high-value products instead of price and quality, it becomes more essential to discover and increase understanding of perceived value becomes necessary. To the best of our knowledge, on a world scale, studies on perceived value have not been uniform in scale. In Vietnam, there have been few studies to explore and test the scale of perceived value for safe vegetable products. In particular, there are few studies on perceived value's influence on customer satisfaction. From the above analysis, this study was conducted to aim at three main objectives: (1) Building and verifying the scale of perceived value with safe vegetable products; (2) Test the relationship between perceived value and customer satisfaction; (3) Proposing some managerial implications from the research results.

2. Theoretical Framework and Hypotheses Development

2.1. Customer Satisfaction

Satisfaction is often considered in the critical relationships of studies explaining consumer behavior and customer loyalty (Fornell et al., 1996; Cronin et al., 2000). Parasuraman et al. (1988) suggested that satisfaction reflects the correlation between expectations (Expectation) and perceived performance of products/services (Perception). Accordingly, when the customer perceives the performance as equal to or greater than the expectation, it will bring a satisfied state. Meanwhile, Anderson et al. (1994) argue that customer satisfaction is the overall assessment of customers' feelings while consuming products/services.

2.2. Perceived Value

In recent decades, customer-perceived value has become a significant theme in marketing research (Fornell et al., 1996). Customers perceived low price value, perceived value relative to cost, desired satisfaction, and

perceived usefulness (Zeithaml, 1988). Thus, customers' perceived value is closely related to the cost spent and perceived performance and value that the product/service brings. The significant role of customer-perceived value is mentioned in many studies. Specifically, customer perceived value is considered the critical determinant of customer attitudes, satisfaction, behavioral intentions, and loyalty (Cronin et al., 2000; Fornell et al., 2000).

During the history of formation and development, customer perceived value is measured through two standard methods: (1) measurement by a group of latent variables, reflecting the cost-correlated nature and helpful get back; (2) Measure by groups of latent variables representing different perceived aspects. Many scholars support the second measurement method because it can provide customer insights. Sweeney & Soutar (2001) divided the perceived value of customers into functional value (need satisfaction); social value; emotional value; functional value (price/quality). Research by LeBlanc & Nguyen (1999) in the context of educational services mentions six elements constituting the perceived value of customers, including functional value (satisfaction), social value, value visual value, intellectual value, emotional value, and functional value (price/quality). Similarly, Keller et al. (2011) emphasized economic, functional, social, emotional, and ecological value. Thus, it can be seen that the choice of measurement aspects of customer perceived value is diverse. Based on the results of qualitative research, this study approaches perceived value, including four components: (1) Functional value; (2) Emotional value; (3) Social value, and (4) Economic value.

Based on the relationship between perceived value and customer satisfaction has been emphasized in several studies in the past (Cronin Jr et al., 2000; Fornell et al., 1996). The study proposes four research hypotheses:

H1: Functional value has a positive influence on customer satisfaction

H2: Emotional value has a positive influence on customer satisfaction

H3: Social values have a positive influence on customer satisfaction

H4: Economic value has a positive effect on customer satisfaction

3. Research Methodology

The qualitative research method was carried out through expert and focus group interviews. Two Associate Professors majoring in Business Administration and two Directors of a safe vegetable business were invited to interview about the contents related to the research model and the scale. Next, the focus group interview method, including 15 volunteers who are loyal customers and have good knowledge about safe vegetable products, was used to check the suitability of the questionnaire contents to the responses.

Quantitative research methods are used to analyze primary data. The main tests include testing the reliability of the scale, descriptive statistics analysis, and testing the research hypotheses. Some primary analyses applied include Confirmatory factor analysis, methodological bias test, reliability coefficient α test, correlation analysis, descriptive statistics, and SEM model test. Recommendations on thresholds to ensure the reliability and relevance of research data are referenced in the works of Hair et al. (2010), Fornell and Larcker (1981). Two software was used for data analysis, including SPSS 22 and AMOS 22.

The scale of the study is referenced from past studies and designed according to a 5-point Likert scale. The qualitative research results are referenced from previous studies (Fornell et al., 1996; Sweeney & Soutar, 2001; Keller et al., 2010). After two months of submitting the survey, the research team received 325 responses. After removing ten unsatisfactory surveys, the research sample remained at 315. Details of the research sample are described in Table 1.

4. Research results

4.1. Reliability, Convergent, and Discriminant Validity

CFA analysis was applied to evaluate reliability, convergent and discriminant validity. The analysis results show that the model includes 94 degrees of freedom, the value $\chi^2/df = 1.550$ ($<$

Table 1. Demographic of Respondent

Characteristic	N	%
Gender		
Male	128	40.63
Female	187	59.37
Age		
18 - 30 Years old	92	29.21
31 - 40 Years old	110	34.92
40 - 50 Years old	74	23.49
> 50 Years old	39	12.38
Monthly Income		
< 10,000,000 VND		
10,000,000 VND - 20,000,000 VND	121	38.42
20,000,000 VND - 30,000,000 VND	145	46.03
30,000,000 VND - 40,000,000 VND	34	10.79
> 40,000,000 VND	15	4.76

3), $p < 0.001$ (< 0.05), GFI = 0.946, TLI = 0.972, CFI = 0.978, NFI = 0.940 (> 0.9). RMSEA value = 0.042 (< 0.08). The factor loading coefficients are more significant than 0.5 and the Cronbach's Alpha and CR values are 0.7. Therefore, the model ensures reliability and fits the data.

Besides, AVE values > 0.5 , MSV values $< AVE$, and square root AVE are more significant than the correlation value of group variables. Thus, discriminant validity is guaranteed (Fornell & Larcker, 1981).

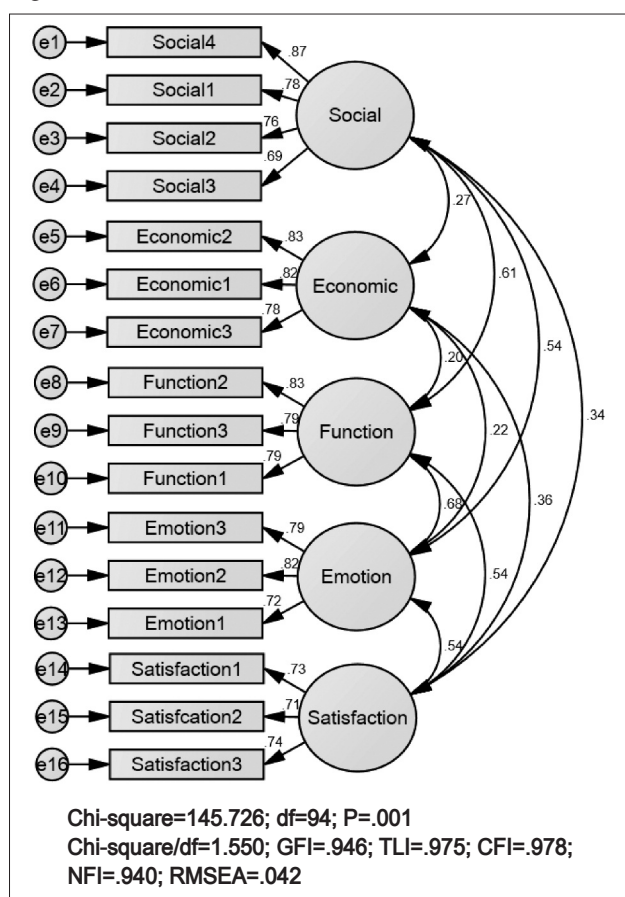
4.2. Hypotheses Testing

The SEM model analysis method was used to test the research hypothesis. The results show that in addition to the hypothesis of the effect of social value on satisfaction being rejected by p -value > 0.05 , the remaining three hypotheses are accepted. The most decisive impact on customer satisfaction was functional value with $\beta = 0.334$ (t-value = 3.187; p -value = 0.001), followed by emotional value with $\beta = 0.313$ (t-value = 3.195; p -value = 0.001). Finally, economic value affects with $\beta = 0.251$ (t-value = 3.861; p -value < 0.001). The independent variables explain 40.4% of the variation in customer satisfaction.

5. Conclusion

The study established and validated a measurement scale about perceived value with

Figure 1: CFA Analysis result



customers using safe vegetables. In addition, the study also assessed the impact of four perceived value components on customer satisfaction. These results support the views of several previous studies (Fornell et al., 1996; Cronin Jr et al., 2000). The unclear influence of social value can be explained by the fact that safe vegetable products do not have a firm brand name and have yet to create great customer image values.

Some implications for safe vegetable businesses are proposed based on the research results. Firstly, it is necessary to improve product quality and ensure food hygiene and safety to improve functional value. In order to promote economic value, businesses need to focus on solutions to improve production efficiency and reduce costs to offer reasonable selling prices for customers. In order to improve emotional value, businesses can offer solutions that provide information on product packaging to ensure credibility and create peace of mind for customers. Finally, although the impact could be more precise on customer satisfaction, businesses must promote brand development and corporate image to improve perceived social value ■

Table 2. AVE, CR, α , Correlation and Descriptive

	Mean	SD	α	CR	AVE	MSV	(1)	(2)	(3)	(4)	(5)
Emotion value (1)	3.47	0.67	0.815	0.820	0.604	0.466	0.777				
Social value (2)	3.80	0.61	0.853	0.858	0.604	0.376	0.536	0.777			
Economic value (3)	3.09	0.73	0.847	0.847	0.650	0.128	0.217	0.273	0.806		
Functional value (4)	3.46	0.72	0.846	0.846	0.647	0.466	0.683	0.613	0.198	0.805	
Satisfaction (5)	3.69	0.69	0.772	0.772	0.530	0.293	0.541	0.339	0.358	0.535	0.728

Table 3. Hypotheses Testing and Path Analysis

Hypotheses			Estimate	t-value	p-value	Findings
Social value	→	Satisfaction	-0.102	-1.219	0.223	Rejected
Economic value	→	Satisfaction	0.251	3.861	***	Accepted
Functional value	→	Satisfaction	0.334	3.187	0.001	Accepted
Emotion value	→	Satisfaction	0.313	3.195	0.001	Accepted

Note: ***p-value < 0.001

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Author information:

NGUYEN HOANG NAM

Thuongmai University

TÁC ĐỘNG CỦA YẾU TỐ GIÁ TRỊ CẢM NHẬN ĐẾN SỰ HÀI LÒNG CỦA KHÁCH HÀNG KHI TIÊU THỤ RAU AN TOÀN TẠI HÀ NỘI

● NGUYỄN HOÀNG NAM

Trường Đại học Thương mại

TÓM TẮT:

Nghiên cứu này nhằm đánh giá mức độ tác động của yếu tố giá trị cảm nhận đến sự hài lòng của khách hàng khi tiêu thụ rau an toàn tại Hà Nội. Thông qua việc phân tích dữ liệu thu thập được từ 315 khách hàng, mô hình phương trình cấu trúc chỉ ra: giá trị tinh thần, kinh tế và chức năng có tác động tích cực đến sự hài lòng của khách hàng; trong khi đó, giá trị xã hội không có tác động rõ rệt đến sự hài lòng của khách hàng khi tiêu thụ rau an toàn tại Hà Nội. Dựa trên các kết quả nghiên cứu, một số khuyến nghị được đưa ra nhằm giúp các doanh nghiệp kinh doanh rau an toàn nâng cao sự hài lòng của khách hàng và phát triển thị trường rau an toàn.

Từ khoá: rau an toàn, giá trị cảm nhận, sự hài lòng của khách hàng, Hà Nội.