

Developing Effective Strategies to Enhance Customer Satisfaction: A Case Study of Absolut Chocolat, a Dessert-preneur in Malaysia

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Abstract

The attainment of customer satisfaction holds significant importance for the achievement of business success. Especially for nascent small and medium enterprises (SMEs) functioning within the fiercely competitive food industry, this initial step is a crucial milestone in achieving enduring viability and eventual success. Absolut Chocolat (AC) is a Malaysian startup dessert brand that entered the dessert industry in 2018. Since its inception, it has been able to attract adherents with its distinctive identity. However, as of late, the brand has had challenges upholding consumer satisfaction. The present study seeks to investigate the satisfaction of AC customers and the various elements that have an impact on it, including product quality, pricing, place, and service quality. The study utilizes an applied research methodology and a three-step inquiry process with diverse approaches, including SWOT analysis, regression analysis, and the TOWS Matrix. Using purposive sampling, data from 117 customers of AC was obtained via a survey questionnaire. Out of the four factors investigated, only price and product quality were found to have a positive effect on customer satisfaction. These findings have led to the formulation of several recommendations aimed at enhancing customer satisfaction among AC customers. Finally, this study not only adds to the body of knowledge on consumer satisfaction in the food segment for SMEs, but it also provides practical insights that can support the growth of companies like Absolut Chocolat and other comparable establishments.

Keywords: Customer Satisfaction; Dessert-preneurs; Applied Research; Situational Analysis; TOWS Matrix Analysis

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Introduction

According to a study by Global Data, there was an upward trajectory in the sales of bakery products such as bread and cakes in Malaysia during the period 2019–2021 (Durai, 2022). This growth is poised to intensify competition, with existing market players and new entrants vying for a share of the market. For well-established players, the challenge rests in maintaining their reputation for superior products and services. Conversely, for newcomers, the capacity to build and maintain customer satisfaction represents a notable competitive advantage (Chian, 2020). The upstart needs to position themselves as innovative and customer-centric alternatives to industry veterans. Specifically for newly established small and medium enterprises (SMEs), building customer satisfaction is key for long-term profit and sustainability (Rahman et al., 2019). By paying extra attention to critical elements such as product quality, customer experience, and service excellence, new entrants can quickly win over customers who are looking for fresh options in the bakery segment.

Customer satisfaction plays a central and universally acknowledged role in determining an organization's long-term success. It stands out as a primary worry for many businesses in the expansive and cutthroat environment of the food industry (Habib et al., 2011, cited in Chian, 2020). Numerous studies conducted in the past have delved into the multifaceted realm of consumer satisfaction, casting light on a number of factors that have a substantial impact on this essential problem. Among others are factors such as service quality and physical environment (Chian, 2020), service quality, pricing, and physical environment (Rahman et al., 2019). It is worth noting that the interplay between these factors is nuanced and dynamic. For instance, the price of a product can affect the customer's perception of its value, and the physical environment in which a service is delivered can have a significant impact on its overall quality. Understanding these complex interrelationships is essential for developing a comprehensive strategy to increase consumer satisfaction for SMEs in the food industry.

Absolut Chocolat is a local SME brand established in 2018 by a young entrepreneur in Klang Valley. With the goal of being a distinctive dessert entrepreneur or dessert-preneur focusing solely on cake products, Absolut Chocolat introduces a unique experience called "Pour it Yourself". This creative idea has elevated Absolut Chocolat to the status of a trendsetter in the local bakery scene and gained its own followers. Its well-known decorate-it-yourself cakes provide customers with a novel experience, becoming a recognizable part of the brand's identity. Customers will not only receive cakes, but they will also be provided with supplies for garnishing and decorating so that they can have the "decorate-it-yourself" experience. However, the brand can only be accessed through its physical food kiosks located at the IOI City Mall, Sunway Pyramid, and Mid Valley Shopping Mall in the Klang Valley. Food kiosks in the context of this study refer to a limited-space setup designed to accommodate a specific menu, aiming to provide quick and convenient options to customers in shopping malls. Meanwhile, dessert-preneurs refer to individuals or businesses that specialize in the creation, production, and sale of desserts as part of their entrepreneurial ventures.

Although Absolut Chocolat has been successful in attracting a large number of customers, the company has struggled to hold onto first-time buyers and encourage repeat purchases. According to the owner, this is primarily due to expressed dissatisfaction by customers on issues related to product quality (PQ), service quality (SQ), price, and place. Therefore, to help overcome this challenge, this study will employ the applied research approach (Bougie & Sekaran 2019) in addressing customer satisfaction problems faced by Absolut Chocolat.

The dessert segment in Malaysia demonstrates a notable degree of competitiveness, which compels dessert-preneurs to develop strategies with the goal of attracting customers and enhancing their market position. To attain this purpose, Absolut Chocolat must prioritize the enhancement of customer satisfaction, as it has the potential to mitigate the difficulties encountered during customer interactions (Basari & Shamsudin, 2020). Strategically understanding the issue from the viewpoint of the business owner is the best course of action, and this may be achieved through the implementation of a SWOT analysis. In order to enhance the robustness of the argument, it is important for the study to additionally gather perspectives from its customers. This can be accomplished by the implementation of a data-gathering activity utilizing a survey questionnaire. Given that this study is primarily focused on practical applications in the business realm, its fulfillment hinges on the provision of potential resolutions for Absolut Chocolat to effectively address their issue pertaining to consumer satisfaction. Therefore, through its findings, this study offers valuable practical insights for entrepreneurs in the dessert segment of SMEs. In summary, the three objectives of this applied research are:

- 1) Understanding the current state of customer satisfaction for Absolut Chocolat
- 2) Examining factors affecting customer satisfaction for Absolut Chocolat
- 3) Recommending strategies to be implemented to improve customer satisfaction for Absolut Chocolat

Literature Review

Customer Satisfaction

The Expectancy-Disconfirmation Paradigm (EDP) was developed by Oliver (1980) as the most viable theoretical framework for assessing customer satisfaction. According to the model, consumers purchase goods and services with pre-purchase expectations regarding their expected performance. It is also supported by Chen et al. (2017) that customer satisfaction is a critical factor in the success and expansion of a business. This is because satisfied customers tend to remain loyal, make repeat purchases, and recommend the business to others, resulting in higher revenue and market share. Moreover, customer satisfaction is also essential to an organization due to its impact on the company's financial condition and its positive effect on the company's public image (Basari & Shamsudin, 2020). Whether or not a person has a positive attitude towards a restaurant, customer satisfaction is still a crucial factor in increasing the likelihood of returning for another visit (Chen et al., 2017). Therefore, a company should ensure that the customer is always satisfied to protect the reputation of its brand and the chance of revisiting it.

Customer satisfaction is complex and broad (Shokouhyar et al., 2020), requiring companies to examine various elements and consistently evaluate and improve their service operations, including responding to customer inquiries and complaints and meeting customer expectations. According to Voss et al. (2004), without proper feedback from customers, businesses may miss numerous opportunities to learn how to enhance or improve the quality of service and delivery. Moreover, collecting and assessing customer feedback can lower the unpredictability and cost of customer acquisition while also boosting customer satisfaction and favorable feedback (Mohd Farid et al., 2020). Ultimately, this can result in the service provider having a higher reputation and greater potential for a business to succeed.

According to Gligor et al. (2019), prioritizing psychological aspects such as trust and happiness during every interaction between the customer and the company is crucial, as they heavily influence customer satisfaction, a vital component of attitude. Furthermore, Alteren and Tudoran (2019) suggest that companies should continuously listen to their customers and align their adjustments with the customers' needs rather than the organization's perceived needs. Moreover, company profitability is not only reflected in its balance sheet but is also determined by the quality of its customer base and the lifetime value that customers bring to the company (Mendonca & Zhou, 2019). If a product or service meets the needs and wants of the consumer, they will be satisfied, happy, and loyal customers, which will increase the company's customer equity. Thus, it is imperative for organizations to ensure customer happiness at every touchpoint.

Product Quality

Nindiani et al. (2018) cited Alex and Thomas (2012) to suggest that the degree of consistency between a product's specifications and a customer's expectations is the primary determinant of its quality. The primary reason for going to a restaurant is to satisfy the human desire for food (Johns & Howard, 1998). As a result, the quality of the food is an important factor in attracting customers. Therefore, this research paper focuses on food quality in the context of the dessert industry, where the company produces cakes in various flavors. Food quality is a crucial aspect that impacts customer satisfaction, and in the case of cakes, factors such as freshness, presentation, taste, and novelty are crucial determinants of quality.

According to Chian (2020), contemporary consumers demand freshly prepared meals delivered promptly. With many people leading busy lives and planning their days, freshness and speed of service are crucial determinants of customer satisfaction. However, Chian (2020) research results indicate that food quality has a limited impact on overall customer satisfaction in the fast-food industry in Johor Bahru. Additionally, Sjahroeddin (2018) conceptualizes product quality as the evaluation of food quality both before and after purchase.

Consistent quality is a critical aspect of cakes being considered high-quality products in this study. As innovative products that follow current trends, cakes are viewed as food souvenirs or tourism products. Specialty and souvenir food strongly influence customer satisfaction, as noted by Sjahroeddin (2018), with a focus on product quality being crucial for achieving customer satisfaction. Arlanda and Suroso (2018) research indicates that food and beverage quality positively impact customer satisfaction, a finding supported by Wantara and Tambrin (2019) research, which highlights a strong correlation between product quality and customer satisfaction. Therefore, it is hypothesized that:

H₁ - Product quality has a positive and significant effect on customer satisfaction.

Service Quality

According to Chian (2020), meeting customers' needs and wants by improving service quality is crucial for achieving customer satisfaction. This includes promptly and accurately addressing customer complaints. Chian highlights that SERVQUAL is critical for a company to succeed. SERVQUAL is a multiple-item scale developed by Parasuraman et al. (1985) that conceptualizes and measures elements of service that service customers evaluate in assessing service quality on five dimensions: tangibles, reliability, responsiveness, assurance, and empathy.

In the context of this study, the concept of service quality was conceptualized in terms of two dimensions: reliability and employees' responsiveness to customers' needs. This is in line with an earlier study that claimed that when assessing service quality in the food business, two dimensions that play a vital role in the enhancement of service quality are responsiveness and reliability (Putri et al., 2021).

To increase customer satisfaction, Nguyen et al. (2019) note that fast-food restaurant employees must prioritize prompt service, courtesy, reliability, and responsiveness. In addition, providing reliable service can lead to customer loyalty. Reliability is defined as the service provider's ability to execute meal service behaviors consistently and accurately. Meanwhile, responsive quality refers to the willingness of service providers to offer prompt meal service and effective communication with customers, as highlighted by Liu et al. (2017).

Arlanda and Suroso (2018) suggest that products and services play a crucial role in a company's competitive advantage. Service quality is considered the most significant aspect of fast-food restaurants and can be continuously measured and improved. This is due to the close interaction between service employees and customers, where the perception of the service provided is just as crucial as the actual service delivered, as noted by Chun and Nyam-Ochir (2020). Chian (2020) study found that service quality and customer satisfaction are positively related to each other, indicating that a restaurant's management and employees have a crucial role in influencing customer satisfaction. The quality of service provided to customers is a critical factor in determining their level of satisfaction, with prompt, accurate, and responsive service being key attributes that lead to customer satisfaction.

Studies by Arlanda and Suroso (2018) and Rahman et al. (2019) have both found a strong association between service quality and customer satisfaction. However, Suhud et al. (2020) reported a different result, suggesting that perceived service quality had no significant relationship with customer satisfaction. One possible explanation for this difference in findings is that Suhud et al. (2020) treated service quality as an input variable, whereas perceived service quality was considered a process variable in their study. Therefore, it is hypothesized that:

H₂ - Service quality has a positive and significant effect on customer satisfaction.

Price

Price is a crucial factor in customer satisfaction as it can influence the perceived value of the products and services provided by service providers (Shamsudin et al., 2020). Price is seen as an approach that informs customers about the worth of something and estimates the value of the product or service offered based on the price (Javed et al., 2021). Pricing strategies vary, but it is important to ensure that prices are acceptable to both consumers and service providers to facilitate mutually beneficial exchanges (Shamsudin et al., 2020). Wantara and Tambrin (2019) note that the concept of price can differ for customers and sellers, with customers perceiving it as a cost and sellers viewing it as a determinant of profit.

Chian (2020) found that pricing fairness is positively associated with customer satisfaction. Consumers are likely to compare various brands to assess their perceived value and determine their level of satisfaction. Similarly, Arlanda and Suroso (2018) suggest that price is the total value a customer offers to benefit from owning or using a product or service. Additionally, Suhud et al. (2020) state that different types of consumers evaluate prices differently; upper-class consumers may describe a certain price range as cheap, while middle-class consumers would evaluate low prices differently.

Previous research has suggested that consumers consider the price they pay as a determinant of their satisfaction with a product or service (Wantara & Tambrin, 2019). A significant relationship between customer satisfaction and price was discovered in studies by Wantara and Tambrin (2019) and Nguyen et al. (2019) among KFC customers in Vietnam. However, the findings of Chian (2020) and Suhud et al. (2020) suggest that price may not have a significant positive impact on customer satisfaction after the service has been provided, although it may affect customers' initial choice of a restaurant from among available options. Therefore, it is hypothesized that:

H₃ - Price has a positive and significant effect on customer satisfaction.

Place

According to Jermsittiparsert (2019), service location is a critical element for a company's long-term success as it serves as a platform for sales transactions and service delivery. Additionally, Chian (2020) highlights that the physical environment of a restaurant or cafe, including features such as cleanliness, attractive interior design, and comfort, can significantly influence customer satisfaction. The atmosphere generates cognitive responses, which influence consumer beliefs about the place, its services, staff, and products. Furthermore, if a customer has an excellent impression of the restaurant's atmosphere, they may have high expectations for service, which will be influenced by their perception of the restaurant services provided (Javed et al., 2021). Business owners should consider these factors as part of their marketing strategy to attract and retain customers, as a positive customer experience can increase the likelihood of repeat business. The study by Nguyen et al. (2019) further supports this finding, showing that the physical environment of a restaurant, including ambience, atmosphere, and design details, has the most significant impact on customer satisfaction.

In line with previous research, Chian (2020) found that customers' favorable impressions of a restaurant's physical environment have a positive relationship with customer satisfaction. Arlanda and Suroso (2018) also emphasized the importance of the physical environment in shaping customers' perceptions of a restaurant, particularly regarding the atmosphere, ambience, and how well it caters to their needs and preferences. Similarly, Rahman et al. (2019) supported Chian's findings, demonstrating a positive association between the physical environment and customer satisfaction at fast-food restaurants in Malaysia.

The physical environment of a business is vital for not only attracting potential customers but also determining their satisfaction. Rahman et al. (2019) highlighted the importance of a unique and pleasant physical environment in differentiating a restaurant from its competitors and providing customers with a satisfactory experience. This is consistent with the findings of Cristo et al. (2017), who reported that various ambience factors, including decoration, live music, and seating arrangement, can significantly impact customer satisfaction. By creating a new atmosphere through appropriate decoration, providing entertainment such as live music, and arranging the setting carefully, customers are likely to be more satisfied not only with the food and drinks but also with the overall experience and ambience of the restaurant or café. For this research, the primary focus will be directed towards analyzing and investigating various aspects related to the utilization, effectiveness, and impact of the food kiosks. Therefore, it is hypothesized that:

H₄ - Place has a positive and significant effect on customer satisfaction.

SWOT Analysis

SWOT analysis evaluates a company's performance, competitiveness, risks, and potential (Wang, 2022). By focusing on real-life contexts and avoiding preconceived ideas, the organization must conduct the analysis correctly (Ofomata & Daniel, 2021). The main goal of SWOT is to provide marketers with valuable insights into the company's key capabilities, helping them optimize opportunities, align with strengths, and identify potential risks based on marketing information data (Zakaria et al., 2022).

TOWS Matrix Analysis

The TOWS matrix is a tool that suggests various strategies based on four different groups. These groups consider the combination of internal factors such as strengths or weaknesses and external factors like opportunities or threats (Escalona et al., 2022). In line with Zakaria et al. (2022), this tool is used to align the organization’s internal capabilities with external factors in its business environment and helps identify potential strategies for improvement and recommendations for the company.

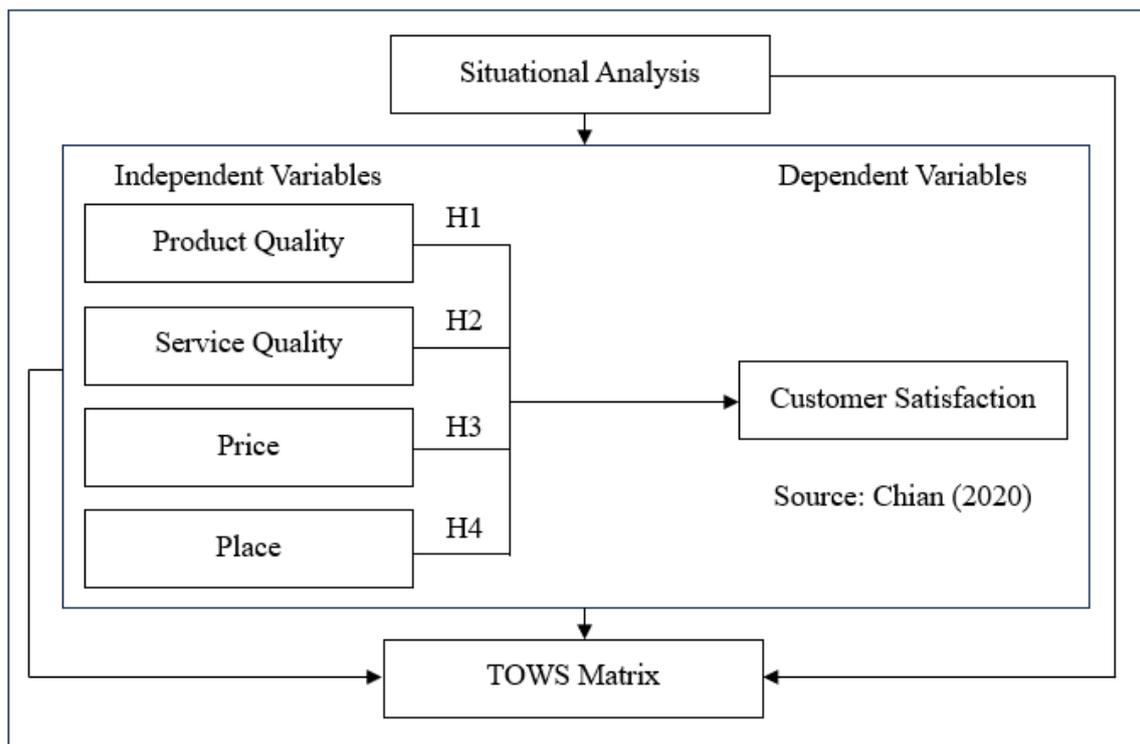


Figure 1: Framework for Assessing Customer Satisfaction at Absolut Chocolat

Research Methodology

This study is applied in nature and seeks to provide solutions to existing practical problems. Applied research is an investigation that is conducted by businesses or people with the intent of applying its findings to solve specific problems that are currently being experienced by the organization (Bougie & Sekaran, 2019). Therefore, to help achieve the three goals of this study, the researchers followed the three-step inquiry process as suggested by Wan Jusoh et al. (2022) as follows:

Step 1 - Situational Analysis using SWOT

The researchers conducted an interview with the founder of Absolut Chocolat to better comprehend the issue and contribute to the first research aim. The SWOT analysis is utilized in this study to justify adapting the research framework from past researchers. In addition, the SWOT will aid the study in fulfilling research objective 1.

Step 2 - Conceptual Framework Testing Using Multiple Regression Analysis

To understand the problem of customer satisfaction and answer research objective 2, this study adapted the framework from the past researcher, Chian (2020). However, due to the practical nature of this research, the input from the SWOT analysis (Step 1) is combined with the concepts in the framework. The framework is enhanced with a series of questionnaires that will be evaluated through multiple regression analysis to achieve a second research objective. Therefore, the conceptual framework is important as it supports the SWOT analysis, providing a stronger basis for making strategic business decisions. The proposed multiple regression equation is:

$$Y(\text{CS}) = \gamma + \beta_1 (\text{PQ}) + \beta_2 (\text{SQ}) + \beta_3 (\text{Pr}) + \beta_4 (\text{Pl}) + \varepsilon$$

Where:

CS	= Customer Satisfaction
Γ	= Regression Constant
PQ	= Product Quality
SQ	= Service Quality
Pr	= Price
Pl	= Place
ε	= Random Error

The researcher will be able to capture the equation's constant value with the γ and β values for each contributing factor in determining the degree of strength and how it will affect and predict the calculated values of customer satisfaction by obtaining the value of γ , β_1 , β_2 , β_3 , and β_4 from the standardized beta of the multiple regression analysis output from SPSS (Ali & Younas, 2021).

Step 3 - TOWS Matrix

Finally, to achieve the third research objective, this study used the TOWS Matrix to recommend strategies. Hence, the academic construct (Figure 1) was established based on the research steps mentioned above. It consists of two strategic tools and a research framework. The research framework includes five variables, with customer satisfaction being the dependent variable, while product quality, service quality, price, and place are the independent variables.

Table 1: Operationalisation of Construct

Construct & Operationalization	Items	Source & Scale
Product Quality Product quality refers to the quality of the cake in terms of freshness, presentation, taste, and innovative food.	1. The company offers a variety of menu items 2. The food served is tasty and flavorful 3. The fresh ingredients are used in preparing the foods 4. The food presentation is visually appealing 5. The food served has the best texture	Chian (2020)
Service Quality Service quality refers to the quality of service provided by kiosk staff, according to how reliable and responsive they are.	1. Quick corrections to anything wrong 2. Accuracy of customer's order 3. Employees are friendly 4. The employees provide prompt and quick service 5. Employees willing to help and handle customers' special requests	Lee et al. (2018) Chian (2020)
Price Price refers to the value that customers receive compared to the price they pay.	1. The food price charged is reasonable 2. The costs used seem to match for what I get 3. This brand offers the best possible price plan that fulfills my needs 4. I am happy with the prices offered by this brand 5. Overall, this brand provides superior pricing options compared to other dessert brands	Chian (2020)
Place Place refers to the condition of the kiosks in terms of decoration, location, and cleanliness.	1. The kiosk has a comfortable atmosphere 2. The decorations of the kiosk are visually appealing 3. Pleasant smell from the surrounding of the kiosk 4. The facility arrangement is well-ordered, easy to find 5. The kiosk has a clean and tidy condition	Lee et al. (2018) Chian (2020)
Customer Satisfaction Customer satisfaction is the psychological sense of satisfaction that customers feel based on their experience with the brand.	1. Considering all my experiences with this kiosk, my decision to visit it was a wise one 2. The kiosk performance fulfills my expectations 3. I have a good buying experience with this brand 4. I will recommend the brand to others 5. Overall, I am satisfied with this brand	Lee et al. (2018) Chian (2020)

This study was cross-sectional, also known as a "snapshot," and was used to study a specific event at a specific time (Rajput & Gahfoor, 2020). The focus of the study is customers who have purchased products directly from Absolut Chocolat's kiosks. In this regard, the sampling frame is not easily available due to the Personal Data Protection Act 2010 (PDPA). Therefore, a non-probability purposive sampling technique was applied to select the final respondents. Based on G*Power (Faul et al., 2009), with four predictors, the minimum usable sample size needed is 108. However, the study was able to obtain responses from 117

participants. This number is sufficient because it exceeds the required minimum number of respondents, as quoted from Tabachnick and Fidel (2013) and Pallant (2016), using the formula $N > 50 + 8m$, where "m" is the number of independent variables. $N = 50 + 8(4)$, which equals 82, was the calculated sample size. Therefore, gathering information from 117 respondents is adequate for this study.

The study employed a 25-item questionnaire with a 5-point Likert Scale (1 – strongly disagree to 5 – strongly agree) to measure the variables. The questionnaire used in this study was adapted from a study by Lee et al. (2018) on service quality, place, and customer satisfaction. For the items related to product quality, service quality, price, place, and customer satisfaction, the study by Chian (2020) was used. For service quality, the items adapted for this study focused on two dimensions; reliability and responsiveness of employees to customers. The other three dimensions under service quality, which are empathy, assurance, and tangibles, were not included as they would overlap with the other variables, which are product quality and place. This questionnaire survey was conducted from October 25, 2022 to December 1, 2022. All data were analyzed using SPSS version 27. The operationalization of the constructs for the study is depicted in Table 1.

Research Findings

SWOT Analysis

To address the first research objective of this study, a situational analysis was applied to analyze the internal and external factors that influenced the company's performance and affected the satisfaction of the company's customers. The results of the SWOT analysis are presented in Figure 2.

Strengths	Weaknesses
S1. Strong brand awareness	W1. Unstable sales
S2. Accessible via agent	W2. Limited kiosks
S3. Strong R&D	W3. Mediocre product quality
S4. Celebrity endorsement	W4. Highly-priced
	W5. Poor brand reputation
Opportunities	Threats
O1. Availability of online platforms	T1. Price competitiveness
O2. Availability of offline events	T2. Economic downturn
O3. Innovatory desserts creation	T3. Blooming of small businesses

Figure 2: SWOT Analysis for Absolut Chocolat

SWOT refers to strengths, weaknesses, opportunities, and threats, and it is used to analyze both internal and external factors that can affect an organization. Strengths and weaknesses, the first two components, concern internal aspects that management may influence. In contrast, opportunities and threats are included in a broader sense of the company's operations (Zakaria et al., 2022).

The company's strengths lie in its well-established image and a distinctive concept that appeals to a significant number of customers. The company has a high level of brand recognition and is conveniently accessible through agents across Malaysia. Moreover, the company benefits from having an internal research and development team, enabling them to develop products that meet the evolving needs and preferences of customers while keeping up with current trends. Their strategy of recruiting countless celebrities to endorse their products has also boosted consumer confidence and increased purchase intentions (Min et al., 2019). As for weaknesses, the company has experienced unstable sales due to a high turnover rate of customers and difficulty retaining them. The limited number of kiosks, mediocre product quality, and high prices compared to competitors have also impacted sales and customer satisfaction. Negative reviews and comments on social media have damaged the brand's reputation, as customers feel that the price is not proportional to the quality received.

Externally, the company could expand its business by offering its products on platforms like Foodpanda and Grabfood to expand its geographic reach and by participating in events in different regions of Malaysia to keep up with the changing behavior of customers. The company can also expand its business by offering a wider range of desserts and keeping up with current trends. However, the main threat faced by the company is competing with established bakeries and dessert brands with better quality and more affordable prices, as well as new competitors entering the market due to the low barrier to entry and a rise in unemployment due to COVID-19, making it harder for the company to retain existing customers. Additionally, the company may also be impacted by economic downturns, with decreasing customer purchasing power leading to higher costs and lower profits, forcing the company to raise prices, which may not be affordable for customers.

Descriptive Analysis

Table 2 presents the respondents' demographic characteristics using descriptive analysis. Based on Table 2, 65.8% of the respondents are female, and 34.2% of the respondents are male. The majority of them are between 18 to 25 years old (73.5%). From a behavioral perspective, most of the respondents would buy a dessert two or three times a week (35%), once a week (29.1%), four to five times a week (12%), and 15.4% of the respondents rarely buy a dessert. The majority of the respondents (56.4%) have had one buying experience with the company.

Reliability Analysis

Next, to measure the internal consistency or the relatedness of a group of variables in this study, Cronbach's alpha has been used. A value between 0.6 and 0.7 is considered adequate, and a value of 0.8 or higher is considered excellent in terms of reliability (Ursachi et al., 2015). From Table 3, Cronbach's alpha derived from the reliability analysis of all variables yielded values of 0.835, 0.884, 0.964, and 0.861, respectively. These figures indicate an excellent degree of reliability, as they exceed the value of 0.8 and show a high and excellent degree of internal consistency between all items used to assess the entire framework, as indicated by Ursachi et al. (2015).

Table 2: Respondent Profile

Item	Frequency	Percentage (%)
Gender		
Female	77	65.8
Male	40	34.2
Age		
18 – 25 years old	86	73.5
26 – 32 years old	22	18.8
33 years old and above	9	7.7
Frequency to buy desserts		
Rarely	18	15.4
Daily	10	8.5
Once a week	34	29.1
2 – 3 times a week	41	35.0
4 - 5 times a week	14	12.0
Buying experience with the company's product		
Once	66	56.4
Two to three times	36	30.8
More than three times	15	12.8

Table 3: Reliability Analysis

Variable	No. Items	Cronbach's alpha	Reliability
Customer satisfaction	5	0.930	Excellent
Product quality	5	0.835	Excellent
Service quality	5	0.884	Excellent
Price	5	0.964	Excellent
Place	5	0.861	Excellent

Table 4: Correlation Analysis

	1	2	3	4	5
Customer Satisfaction	1				
Product Quality	.790	1			
Service Quality	.696	.680	1		
Price	.792	.724	.669	1	
Place	.709	.742	.683	.641	1

Correlation Analysis

Table 4 presents the results of the correlation analysis. The correlation analysis measures the relationship between variables and the extent of that relationship, with a high correlation value indicating a strong relationship and a low value indicating a weak one, ranging from -1 to +1. A value close to 1 indicates a stronger relationship and a value close to 0 indicates a weak one (Kafle, 2019). The results show that all variables have a strong correlation relationship, as all values are above 0.5. The study showed no multicollinearity, as all correlation values were below 0.90 (Senthilnathan, 2019). This indicates that all variables were statistically significant, and the independent variables did not overlap (Shrestha, 2020).

Multiple Regression Analysis

To fulfill the second research objective, a multiple regression analysis was used to analyze the data. The results are depicted in Table 5. The multiple regression results show a good and acceptable F-value of 82.057. Two factors were discovered to positively influence customer satisfaction. Based on the beta value, the results show that price is the most influential factor in predicting customer satisfaction ($\beta = 0.387$, t-statistic 5.218, $p < 0.01$), followed by product quality ($\beta = 0.325$, t-statistic 3.930, $p < 0.01$). Therefore, only H1 and H3 are supported. According to the adjusted R-squared value of 0.737, product quality and price together account for 73.7% of customer satisfaction.

Table 5: Multiple Regression Analysis

Hypothesis	Std Beta	Std Error	t-value	Sig (p)	Confidence Interval (95%)		Decision
					Lower Bound	Upper Bound	
H1 PQ → CS	0.325	0.092	3.930	0.000**	0.179	0.542	Supported
H2 SQ → CS	0.124	0.082	1.693	0.093	-0.024	0.301	Rejected
H3 Price → CS	0.387	0.064	5.218	0.000**	0.206	0.459	Supported
H4 Place → CS	0.135	0.093	1.763	0.081	-0.020	0.349	Rejected
R-Square	0.746						
Adjusted R-Square	0.737						
F-Statistic	82.057						

** significance level at 99%

TOWS Matrix Analysis

To achieve the third research objective, several strategies that the company could use to increase customer satisfaction were developed based on the TOWS matrix analysis (Figure 3). This tool was used to align the company's internal capabilities with external factors and identify potential strategies for improvement (Zakaria et al., 2022).

	Strengths (S) S1 - Strong brand awareness S2 - Accessible via agent S3 - Strong R&D S4 - Celebrity endorsement	Weaknesses (W) W1 - Unstable Sales W2 - Limited kiosks W3 - Mediocre product quality W4 - Highly-priced W5 - Poor brand reputation
Opportunities (O) O1 - Availability of online platforms O2 - Availability of offline events O3 - Innovatory dessert creation	SO Strategies 1. Create a new trend and become the trendsetter (S1, O3) 2. Utilize offline events and delivery services (S2, O2)	WO Strategies 1. Create promotional activities such as discounts to attract more customers (W4, O1) 2. Join public events to increase sales (W1, O2)
Threats (T) T1 - Price competitiveness T2 - Economic downturn T3 - Blooming of small businesses	ST Strategies 1. Emphasize the unique value proposition, quality, and experience (S1, T1) 2. Use celebrities to win over customers from competitors (S4, T3)	WT Strategies 1. Choose high-quality ingredients to create a competitive advantage (W3, T3) 2. Create a new product line with affordable prices (W4, T2)

Figure 3: TOWS Matrix Analysis

Discussions

The results from the multiple regression analysis show that customer satisfaction is positively and significantly impacted by the quality of the product. This result can be confirmed by the studies of Arlanda and Suroso (2018) and Wantara and Tambrin (2019). The general evaluation of product quality in this study refers to variation, taste, freshness, appearance, and texture. From this, customers believe that product specifications influence their satisfaction. Min et al. (2019) agree that the visual appearance of a product attracts customers and motivates them to buy the product. It also conveys a positive impression of the brand.

Additionally, the results indicate that price is a crucial element in increasing customer satisfaction. This finding is in line with the study by Albari (2019), which indicates a strong positive correlation between customer satisfaction and price. Albari argues that customers are more likely to be satisfied when they feel that the price is fair and reasonable concerning the quality of the product and the level of customer service received. Another previous study by Wantara and Tambrin (2019) also found a positive and significant relationship between these two variables. Although the price offered by the company is higher compared to other products in the same category, the price is reasonable and acceptable because they receive a unique product experience, quality, and packaging. Therefore, it can be inferred that the pricing of the products has a positive impact on customer satisfaction at the company.

Service quality and place were found to be insignificant to customer satisfaction. Both p-values for these variables exceeded the desired threshold. It indicates that the customers of Absolut Chocolat do not consider these variables to affect their satisfaction.

Academic Contribution

This study employed an applied research approach, utilizing SWOT analysis, regression analysis, and TOWS matrix analysis to solve a specific problem in an organization. This approach offers valuable contributions to the academic field with actionable insights to improve customer satisfaction, which also contributes to the body of knowledge for satisfaction studies, specifically in Malaysia. Human behavior has long been understood to be influenced by both physical and psychological environmental factors (Triandis et al., 1973).

Managerial Contribution

This study provides significant insights for dessert businesses, allowing them to understand the major aspects driving customer satisfaction and position themselves successfully in the market. The findings of the study may be used by both established companies and newcomers in the dessert business to improve their management processes and design strategies that connect with their target audience. Referring to the results of SWOT and regression analysis, this study recommends that the bakery industry allows for easy innovation and trend-setting, making product differentiation a viable option for increasing brand awareness and purchase decisions, and ultimately leading to customer satisfaction.

Additionally, the accessibility of dessert companies creates an opportunity to expand channels for customer feedback and reach potential customers through offline events and delivery services (Ram & Sun, 2020). Using celebrity endorsements can help attract customers from thriving small businesses in the crowded bakery industry, and overcome advertising challenges to create differentiation value (Yang, 2018). Moreover, conducting discount promotions would provide a temporary financial incentive to purchase certain goods within a certain time, while participating in public events would allow physical interaction with potential and existing customers. These recommendations would help the business improve its customer satisfaction.

Conclusion

Brief Summary

This study presents novel findings that contribute to the current body of literature, particularly in the context of small and medium-sized enterprises (SMEs) in Malaysia. The study employs strategic tools to effectively tackle practical business challenges, such as the adoption of trendsetting strategies and leveraging celebrity endorsements. These approaches are particularly relevant in the Malaysian context, where individuals exhibit a strong inclination to follow trends and celebrities.

Other than that, the results of regression analysis revealed that price is the most significant factor influencing customer satisfaction followed by product. These insights are essential for the success of Malaysia's dessert entrepreneurs as they seek to better understand the preferences of dessert enthusiasts in Malaysia. This study also developed practical tactics using the TOWS matrix that focused on strengths to seize opportunities and mitigated weaknesses to counter threats. Indeed, this study additionally presents a range of techniques

aimed at assisting new entrepreneurs in the Malaysian dessert scene to strengthen their market position and gain an advantage over their competitors.

Limitations and Directions of Future Research

The research article focused on the dependent variable of customer satisfaction concerning purchases made directly from kiosks located in the Klang Valley. However, a limitation of the study is that it does not include purchasers from different means (agents of the brand) which comprise a large group, as these consumers come from all parts of Malaysia and are not limited only to the Klang Valley. To overcome this limitation, future research could investigate consumers who make purchases online or through an agent, as these consumers may have different preferences or experiences with the purchasing process.

In addition, this study focused on a few determinants of customer satisfaction. Future studies could consider developing new variables and testing the effects of mediation or moderation, as suggested by Wantara and Tambrin (2019). By addressing these limitations and incorporating new variables, researchers can gain a more comprehensive understanding of the factors that impact customer satisfaction in different purchasing contexts. Finally, future studies should prioritize addressing common method bias to improve the validity of questionnaires and survey-based research, ultimately strengthening the credibility of survey-based research.

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Appendix

Appendix A

Interview questions for the founder

1. Can you please introduce yourself and provide some background on your dessert brand?
2. Since its establishment, what is the most critical issue that you are facing when dealing with customers?
3. What unique qualities or values did you want your brand to represent when you first started it?
4. Can you describe your dessert offerings and menu? What are the signature items that set your brand apart?
5. What factors do you consider when selecting ingredients for your desserts, and how do you ensure their quality?
6. How do you source and manage your ingredients, and do you prioritize any specific suppliers or sustainable practices?
7. What strategies have you used to market and promote your dessert brand? Which channels have been most effective?
8. How do you handle customer feedback and incorporate it into your business decisions?
9. What trends have you observed in the dessert industry, and how do you adapt to stay relevant?
10. Are there any unique challenges or opportunities in the dessert industry that you have encountered?