

Impact of Inventory Management on Customer Satisfaction of Retail Stores in Bur Dubai and Al Nahda Areas of Dubai

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Abstract

Inventory management is one of the greatest factors in the company's success or failure. It is a vital function in any business that deals with physical goods, whether it is manufacturing, retail, distribution, or e-commerce. It involves planning, organizing, controlling, and optimizing the flow of materials and products from the source to the customer. This study examined the impact of inventory management on customer satisfaction of retail stores in Bur Dubai and Al Nahda areas of Dubai. The study adopted a quantitative approach, using- item, five-point Likert scaled questionnaire administered to 110 participants where 51 responses were retrieved and recorded for the survey.

The target population was the employees who are directly or indirectly linked to the inventory management system of the retail outlets of Al Nahda and Bur Dubai area. The data were presented in a tabular, pie charts, percentages and descriptive statistics and inferential analyses were carried out using statistical package for social studies (SPSS). Correlation analysis was used to find the correlation between the variables, and it was revealed there was a positive and significant correlation between all independent variables and dependent variables; Information Technology ($r=0.494$, $p=0.000$), Lean Inventory Management ($r=0.510$, $p=0.000$), and Strategic Supplier Partnerships ($r=0.669$, $p=0.000$). Multiple regression analysis with ANOVA technique was used to determine the effect of independent variables on the dependent variable. The findings showed that 95.3 % of the customer satisfaction is explained by the three variables that are Lean inventory management system, Information Technology, and Strategic Supplier Partnerships. The findings of this study provide key insights to retail outlets managers that seek to design excellent inventory management practices and programs to achieve customer satisfaction.

Keywords: *Inventory Management, Customer Satisfaction, Strategic Supplier Partnerships, Lean Inventory Management, Information Technology*

Date of Submission: 29-01-2025

Date of Acceptance: 09-02-2025

I. Introduction

Retail sector businesses are becoming more competitive and advanced in the first quarter of 21st century. It is very uncertain and duly hard to be constant at success as the customer needs are changing day by day (Aro-Gordon, 2016). Inventory management is a vital function in any business that deals with physical goods, whether it is manufacturing, retail, distribution, or e-commerce. It involves planning, organizing, controlling, and optimizing the flow of materials and products from the source to the customer. It imparts major cost in raw materials in the form of work in progress, holding and carrying costs (Rashid, 2016). Customers formulate their choices according to market trends and availability of goods from associated partners of the chain. It is well known that non-availability of inventory has significant impact on customer satisfaction within the retail sector that leads to long term impact on the businesses (Otieno, 2018). For many businesses, inventory is the largest asset in the balance sheet at any given time. Thus, purchasing too many units of a slow-selling item will increase storage costs and interest costs on the short-term borrowings that financed the purchases, which may also lead to losses if the merchandise cannot be sold at the normal price. These days improvements are seen enormously in information technology, which provides frequent feedback and assists in real-time control capabilities. Enterprise Resource Planning (ERP) systems are used by multiples of medium to small enterprises to precisely manage the inventory levels of their stores and help in triggering fresh orders (Otieno, 2018).

Research Problem

The retail industry in Dubai has witnessed unprecedented growth in recent years, fueled by the region's economic prosperity and expanding consumer market. As retail stores strive to meet the increasing demands of a diverse and discerning customer base, efficient inventory management emerges as a critical determinant of success. This research explores the nuanced relationship between inventory management practices and customer satisfaction in Dubai's retail landscape.

Effective inventory management plays a pivotal role in ensuring product availability, reducing stock outs, and minimizing excess inventory, thereby influencing customers' overall shopping experience. The unique characteristics of the Dubai retail sector, such as its multicultural clientele and dynamic market trends, necessitate a tailored understanding of how inventory management impacts customer satisfaction. Additionally, the integration of advanced technologies and e-commerce platforms further complicates this relationship, warranting an in-depth investigation. In the dynamic retail landscape of Dubai, the impact of inventory management on customer satisfaction presents a necessary concern for businesses seeking sustained success. Despite the region's economic prosperity and the retail sector's rapid expansion, challenges persist in aligning inventory practices with the diverse and evolving expectations of customers. Instances of stock outs and overstock situations are not uncommon, potentially leading to dissatisfying shopping experiences and, consequently, customer attrition. It is also well experienced that thousands of products remain unpurchased due to lack of knowledge in assessing the customers' demand and choices.

By investigating the impact of inventory management on customer satisfaction, this research aims to provide valuable insights for retail practitioners and policymakers in Dubai. The findings will contribute to the development of strategic approaches that optimize inventory processes, ultimately enhancing the overall customer experience and sustaining the competitive edge of retail establishments in this thriving economic hub.

This research seeks to address the existing gaps in understanding the intricate relationship between inventory management and customer satisfaction in Dubai's retail stores. By identifying key challenges and proposing strategic solutions, the study aims to provide actionable insights that empower retailers to enhance their inventory management practices, ultimately elevating customer satisfaction and fostering long-term business success in this competitive market.

Research Objectives

1. To study the impact of inventory management on customer satisfaction in retail outlets of Bur Dubai and Al Nahda area of Dubai.
2. To demonstrate the relation between the Lean Inventory Management System, Strategic Supplier Partnership, and Information Technology towards customer satisfaction of the retail outlets.
3. Investigate the role of Information technologies and e-commerce integration in shaping inventory management practices, exploring their effectiveness in meeting the unique demands of the Dubai retail landscape.
4. Provide recommendations to inventory management practices in selected retail stores across various sectors in Dubai, with a focus on assessing stock levels, turnover rates, and the integration of technological solutions.

II. Literature Review

The management of inventory of the companies is the crucial part in the supply chain network that are involved in the different processes and activities that produce value in the form of product or services in the hands of the ultimate customer (Giannoccaro, 2000). The primary goals of inventory management are to ensure product availability, minimize carrying costs, and prevent stockouts or overstock situations. Some of the popular inventory management techniques used are (Jenkins, 2018) ABC analysis, batch tracking, demand forecasting, economic order quantity (EOQ), just in time inventory (JIT), materials requirement planning (MRP), minimum order quantity, FIFO and LIFO.

Information Technology in Inventory management

Inventory managers use the information technology to understand the demands and specifications of the customers which are processed by the computers. Technology introduces various inventory management software with the help of those software companies who can collect and analyze large amounts of data on the inventory level. Technology changed the whole dimension of businesses, allowing them real-time tracking with the help of RFID tags and tracking systems. It also allows businesses to make more confirmed decisions about their stock, products and shipping activities (Aeologic, 2023).

There are various types of technology to keep updates about Inventory and its efficient management in the company. Some of the most used ones are Electronic Data Interchange (EDI), Electronic Point of Sales (EPOS), Barcoding, Radio-frequency Identification (RFID), and so on. EDI systems connect the buying

organization with its suppliers, stock replenishment can be activated instantly by transferring the structured data through the linked computer system. Likewise, EPOS helps to scrutinize and control information emanating from goods sold through the Electronic Point of Sales, the verification, checking and provision of immediate sales reports. This device enables stock to be restricted to demand, reduction of the risk of obsolescence and deterioration of stocks enhanced, chances of theft limited and the provision of information to buyers upheld. This subsequently leads to enriched customer service and improved financial performance. Moreover, Barcoding is the efficient technology used in counting raw materials and finished goods inventory. It has the great uses in the warehouses to manage the millions of products, in the manufacturing companies, retail outlets and many other businesses for the easier products delivery to customers (Dewett, 2001).

Lean Inventory Management System

The Lean Inventory System has linkages with reduced inventories and holds that as inventory is reduced, profit will be increased due to saving with a reduction in storage fees, handling and waste. Under the lean inventory system, we considered management-oriented systems which include Just-in-time (JIT) and Materials Requirement Planning (MRP) systems (Kumar, 2019).

Just-in-Time (JIT) inventory management is a strategy where goods are ordered and received only as they are needed in the production process, minimizing excess inventory. This approach aims to reduce holding costs, improve efficiency, and enhance responsiveness to customer demand. JIT relies on close collaboration with suppliers, ensuring timely deliveries and streamlining production processes. By aligning inventory levels precisely with demand, JIT helps companies achieve cost savings and operational excellence while maintaining high product quality and customer satisfaction. It emphasizes that producers should generate items that are handy when required (Garzafox, 2014).

Strategic Supplier Partnership in Inventory Management

Supplier partnership in supply chain and inventory management constitutes a profound impact to meet the customer needs and demand. Supplier partnership aims at reducing waste, shortening lead times, improvement and simplicity (Thongrawd, 2020). The efficiency and effectiveness of businesses depends on the proper communication because clear and direct communication between suppliers and buyers helps to meet the urgency and requirement of the goods in the stocks. The involvement of the supplier in the design process clearly reduces the chances of defective items and the risk of obsolescence. The vendor managed inventory sees the supplier holding inventory on site or near the customer making way for the customer to instantly access inventory. The immediate access gives the customer the lead way to present inventory. In this arrangement, the supplier is responsible for stock replenishment which covers ordering, managing the logistics to move the materials and accounting for inventory. The transference of these costs is usually handled by the customer on the supplier, the customer now limits the total cost of their products and boost their margins (Thongrawd, 2020). Strategic supplier partnerships play a crucial role in enhancing customer satisfaction by ensuring product quality, timely delivery, innovation, cost efficiency, supply chain flexibility, and risk mitigation. Businesses that invest in fostering strong and collaborative relationships with their suppliers are better positioned to meet and exceed customer expectations, ultimately building trust and loyalty in the marketplace (Binalla, 2019).

Customer Satisfaction

Customer satisfaction refers to the measure of the companies' customer base specifically of size, quality and loyalty. It represents the quality of products, service, price, performance ratio including when a company meets and exceeds customer desire and needs (Mohamed, 2019). Customer satisfaction is crucial to marketing with strong evidence of strategic linkage between overall service quality and customer satisfaction. Customer service plays a vital role in addressing issues, answering queries, and providing support. A responsive and helpful customer service team contributes significantly to overall satisfaction. The ease of the purchasing process, user-friendly interfaces, and transparent communication also influence customer perceptions (Oliver, 2005).

According to Giese and Cote (2000), several approaches have been used to estimate satisfaction. Continuous feedback and adaptation to customer preferences are essential for sustaining high satisfaction levels. Ultimately, businesses that prioritize and consistently deliver on customer expectations are more likely to foster loyalty, repeat business, and positive recommendations, thus ensuring long-term success. Several studies have concluded that dissatisfied customers have the tendency to tell nine others while customers who are satisfied have the tendency to tell five other people about the company's product and services (Ngo, 2010).

Businesses in today's competitive environment are highly focused on how to meet the customer specifications and perception to stand out in the market with abundant market share. Positive word-of-mouth and customer reviews often result from high satisfaction levels, contributing to a positive brand image (Agboyi, 2015).

Inventory Management and Customer Satisfaction

The relationship between inventory management and customer satisfaction is integral to a business's success. Efficient inventory management directly impacts key aspects of the customer experience, influencing satisfaction levels. Maintaining optimal stock levels ensures products are readily available, preventing stockouts that can lead to customer frustration. Timely order processing and accurate fulfillment contribute to a positive buying experience. Conversely, overstock situations may affect perceptions of product freshness and value (Agu, 2016). A well-managed inventory system enables businesses to offer a diverse range of products, catering to varying customer preferences and enhancing overall satisfaction. Responsive customer service, facilitated by accurate inventory data, addresses inquiries promptly, contributing to a positive brand perception. Additionally, effective inventory management supports timely deliveries, meeting customer expectations and fostering loyalty. By aligning stock levels with demand patterns, businesses can optimize promotional and seasonal offerings, ensuring customers have access to desired products. In essence, a well-executed inventory management strategy is pivotal in creating a positive customer experience, building trust, and enhancing overall satisfaction (Namagembe, 2012).

Empirical Review

Chituru, (2016) investigates the linkage between the determinants of inventory management and customer satisfaction within the context of supermarket in Nigeria. The study adopted a quantitative approach, using an item, five-point Likert scaled questionnaire administered to 500 participants with 80 percent usable response rate. Data was analyzed using Cronbach's an internal consistency and Spearman's ranking correlation statistic. The findings of this study states that Lean inventory management system emerged as the most significant positive impact on customer satisfaction, whereas information technology was found to have a strong positive impact on customer loyalty. Strategic supplier partnership was found to be a weak factor determining customer loyalty.

Hisam, (2016) studies show that customer satisfaction in retailing depends largely on the perceived quality of service offered by the retailer. His paper aims to understand the importance and impact of service quality on the satisfaction of the customers in selected retail stores in 3 Indian cities using SERVQUAL and GAP models. Weighted averages and analysis of variance are applied in relevant places to critically examine the customer perceptions towards service quality which will ultimately contribute information for the growth of performance of the organized retail outlets. Donselaar, (2006) researched the impact of inventory control of perishables in supermarkets and hence on customer satisfaction. The study aims to define and operationalize relevant concepts in controlling the inventories of perishables. The research is carried out in cooperation with two Dutch supermarket chains and focusses on perishable items. For every class of items, they describe the main logistic characteristics; moreover, for the perishable items they describe the inventory control rules which are currently being applied and discuss the desired inventory control strategy for these items.

Tripathi, (2014) studies suggest that Inventory management is a very important aspect as it not only affects the Retailer's financial performance but also the customer satisfaction. As it is obvious that properly managed stocks attract many customers, this results in good sales. Improper stocking not only causes a negative impact on retailer's sales, but also causes severe dissatisfaction amongst customers while going shopping. The aim of this paper is to study the role of Inventory management techniques in increasing the customer's footfalls, satisfaction and Retailer's sale. The study is descriptive in nature and a self-designed questionnaire was used to collect the primary insight. In an on-street questionnaire, the retailers and consumers were asked their opinion about Inventory management techniques.

Umair, (2019) analyzed the impact of logistics on the customer satisfaction of the retail stores, in the twin cities of the Islamabad and Rawalpindi. The attributes of logistics taken in the survey were inventory, lead time, transportation and logistics. The survey questionnaire was divided into 2 parts whereas one is for the logistics and another for the customer satisfaction for the measurement of the variable of the research. In the study, convenient sample techniques were deployed in 200 stores of the twin cities of Islamabad and Rawalpindi for research. The findings of the research state that factors of logistics which are inventory, lead time, transportation and logistics do affect customer satisfaction.

Sharif, (2012) researched the impact of category management practices on customer satisfaction within Kuwait grocery retail store. The major focused attributes of category management are product assortment, product pricing, product presentation, product promotion, product availability and customer service. The Descriptive research was conducted and findings from questionnaire-based survey of 309 Kuwaiti customers indicates that customer satisfaction was largely driven by product assortment, product availability, and excellence in customer service whereas other attributes had insignificant impact on customer satisfaction.

Otieno, (2018) studies the influence of inventory management practices on performance of retail outlets in Nairobi City County. The Study adopted a descriptive research design wherein 198 sample population has arrived out of 407 with a 95% confidence level and an error of 0.05 using the formula taken from Kothari

(1992). The study concluded that inventory categorization has a huge effect on the performance of retail outlets in Nairobi County.

Namagembe, (2012) researched the relationship between the Information sharing inventory management and customer satisfaction. A survey questionnaire was used among the sample of 523 registered retailers and distributors. The results indicate that the firm's ability to share information and ensure proper inventory management has implications for customer satisfaction.

Hossain, (2009) studies the customer perception and satisfaction towards the supermarket in Bangladesh. A sample of 360 customers from different branches of Agora, PQS and Meenabazar has been selected purposefully. The findings of the study suggest that customers consider six factors as important for choosing supermarkets over traditional shops' namely availability, quality, price, environment, location and staff behavior. Regression analysis was conducted and reveals that availability, quality and staff behavior are significantly and positively related to the overall customer satisfaction. However, product price is inversely related to the customer satisfaction toward supermarkets in Bangladesh.

Naik, (2010) researched about the service quality and its effects on Customer Satisfaction in Retailing. This research uses SERVQUAL to analyze the gap between perceptions and expectations of the customer, concerning with the service at retail units in the South Indian state of Andhra Pradesh. Customer Satisfaction level is assessed for the services offered at selected retail units in the city of Hyderabad. Five dimensions in service quality, tangibility, reliability, responsiveness, empathy, and assurance have been considered for this empirical research. The general purpose of this research is to identify some factors that impact customer satisfaction.

III. Research Methodology

The study focused on understanding the relationship between inventory management and customer satisfaction, followed by a positivistic research philosophy and deductive approach. A survey-based research design was used to explore the hypotheses developed. The self-administered questionnaire was the research strategy of the study based on mono method quantitative research and the study is cross sectional.

The research framework will address the impact of inventory management on customer satisfaction in the retail outlet of the Burjuman and Al Nahda area of Dubai. It is expected that the well-designed inventory system will affect customer satisfaction. Therefore, the study was conceptualized as inventory management influences customer satisfaction through information technology, lean inventory management, and strategic supplier partnership followed by the extensive literature review of literature.

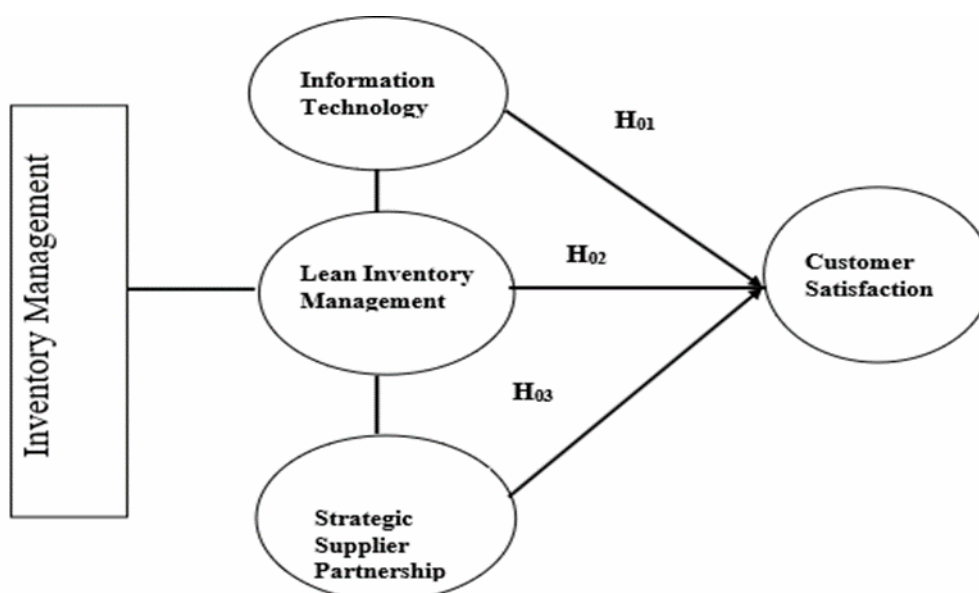


Figure 1: Conceptual Framework

H1: Information Technology is significantly associated with customer satisfaction.

H2: Lean Inventory System is significantly associated with customer satisfaction.

H3: Strategic supplier partnership is significantly associated with customer satisfaction.

Population and Sampling

According to the report of Seed Group, as of 2021 the retail market in the UAE was valued at a

substantial USD 56.6 billion and experts forecast that it will continue to expand projecting an annual growth rate of 4.6% from 2022 to 2027 (Anon., 2023). The stores which are considered in the research are mainly based on Apparel, Groceries, and Electronics Industry. Some of the popular retail stores are Al Madina, Westzone, Viva, Sharaf DG, E-max, Addidas, Nike, M&S, H&M, and so on. For the primary data collection, 140 questionnaires were distributed and out of which 51 questionnaires were retrieved.

Data collection methods and tools

The data was collected through structured questionnaires and the respondents were the retail store managers, sales supervisor, cashier, store manager, inventory controller, Procurement professionals, and so on. A questionnaire was developed using 5-point Likert scale anchored on 5 = “strongly agree” and 1 = “Strongly Disagree” at both extreme in which specific questions were asked regarding linkage of inventory management system on customer satisfaction. Participants were informed about the purpose of the questionnaire so that voluntary responses could be gathered about their experience in inventory management. Both primary and secondary data are analyzed in which primary data were retrieved from the questionnaire and secondary data were supported from the literature review and Empirical review.

Data Analysis

Statistical Packages for the Social Sciences (SPSS) was used for the analysis of the data collected through questionnaires. Both descriptive and inferential analyses were applied to figure out the relationship between dependent and independent variables. Likewise, Spearman’s Correlation Techniques was used to the variables to establish the extent of association between the predictor and criterion variable of the study and regression analysis will be applied for creating the relationship between the factors of Inventory Management and customer satisfaction.

IV. Results And Findings

Data analyses are carried out from the collected data of 51 respondents, which is evident that 56.86% of respondents were based in Groceries outlets, 15.69% in Apparel, 9.80% in Electronics, and remaining participants are based in different sectors like Hospitality, Warehousing and so on. The respondents from varying departments are working at different designations to look after the inventory directly and indirectly. Among all the respondents, specific professions dealing directly with inventory management were sales associate, sales executive, sales supervisor, storekeeper, merchandiser, Inventory controller that provided highly efficient data and information to assess the survey and its findings.

Analyses showed a good reliability as the Cronbach Alpha was 0.910 and the data were normally distributed as the Skewness and Kurtosis values for all the variables are between -2 and +2 (George & Mallery, 2010).

Correlation Analyses

Correlation analysis based on Pearson correlation was carried out to understand the association between inventory management and consumer satisfaction.

Table 1: Pearson Correlation Analyses

Variable	Pearson Correlation (R)	Sig. value	
Information Technology and Customer satisfaction	.494**	0.000	Statistically significant positive association
Lean Inventory and Customer satisfaction	.510**	0.000	Statistically significant positive association
Strategic Supplier Partnership and Customer Satisfaction	.669**	0.000	Statistically significant positive association

According to the correlation analysis shown in Table 01, the correlation between Information Technology and Customer Satisfaction in inventory management indicates an R value of 0.494 with a P value of 0.000. This affirms significant positive moderate correlation between the two variables under 99% confidence level. The correlation between Lean Inventory management and Customer Satisfaction in inventory management indicates an R value of 0.510 with a P value of 0.000. This affirms a significantly positive strong correlation between the two variables under 99% confidence level.

Further, the correlation between Strategic supplier partnership and Customer Satisfaction in inventory management indicates an R value of 0.669 with a P value of 0.000. This affirms a significant high degree of correlation between the two variables under 99% confidence level.

Regression Analyses

Table 2: Regression Analyses

Model	R Value	R Square	Unstandardized Coefficients		Standardized Coefficients Beta	T	Sig
			B	Std. Error			
IT	.494	.244	.459	.115	.494	3.975	0.000
LI	.510	.261	.561	.135	.510	4.155	0.000
SSP	.669	.448	.623	.099	.669	6.305	0.000

Dependent Variable CS

The regression analysis was carried out to investigate the impact of the three independent variables: Information Technology, Lean Inventory, Strategic Supplier Partnership on customer satisfaction. According to the table 02, R square value for Information technology indicates 0.244 under p value of 0.000, thus it is assumed that there is an impact of 24.4% of use of information technology in inventory management on consumer satisfaction. The lean inventory indicates an impact of 26.1% on consumer satisfaction as the R square value is 0.261 and P value is 0.000. Further the R square value is 0.448 and the P value is 0.000 for strategic supplier partnerships and customer satisfaction, thus it records a 44.8% impact on customer satisfaction.

Table 3: Summary Findings

Summary findings				
		1	2	3
	Statistic	Information Technolog and Customer Satisfaction	Lean Inventory Management And Customer Satisfaction	Strategic Supplier Partnership and Customer Satisfaction
1.	Correlation Coefficient	0.494	0.510	0.669
2.	R Square	0.244	0.261	0.448
3.	Significance value (p)	0.000	0.000	0.000

V. Conclusions And Recommendations

The findings of the study concluded that information technology is significantly associated with customer loyalty. This indicates that information technology in inventory management could impact bringing customer satisfaction in the retail stores. Therefore, the 'H₁: Information technology is significantly associated with customer satisfaction' is accepted. Comparable to the findings of Bawono et al. (2024) the study concludes that the use of information technology in supply chain management facilitates real-time data exchange, improving service quality and responsiveness, which directly boosts consumer satisfaction and effective technological integration allows for better coordination between supply chain and marketing strategies, ensuring product availability aligns with customer expectations and (Holloway,2024).

Further the study result concluded that there is a positive association between lean inventory management and customer satisfaction, thus a company's effective and efficient inventory management will have a significant impact on customer satisfaction. Consequently, H₂: Lean Inventory System is significantly associated with customer satisfaction' is also accepted. When the lean inventory management system is improved, customer satisfaction levels will also increase, in line with Basal and Sarkbay (2023) it implies the lean supply chain strategies focus on waste reduction and process optimization, leading to improved efficiency and customer satisfaction. Further the study concludes that the lean inventory principles foster a culture of continuous improvement, enhancing supply chain performance metrics such as lead time and defect rates, which ultimately benefits customers (Ionel, 2024).

Considering the statistical analysis carried out, it is proved that strategic supplier partnerships indicate a positive association, having a considerable impact on a company's customer satisfaction. This confirms the argument made by Lagat et al., (2016) collaborating with suppliers enhances information sharing and operational alignment, which is crucial for meeting customer needs and increasing satisfaction. Therefore, the 'H₃: Strategic supplier partnership is significantly associated with customer satisfaction' is accepted. This implies that when a strategic supplier partnership is effective and cooperative, it affects customer satisfaction. Customers become satisfied and loyal whenever they get their goods and services at the right time, with the right price, at right place, and meeting their specifications. This is possible when the supplier is honest about their work and complies immediately with the retailer's demand forecast and supplies. Strategic partnerships enable companies to implement supply chain practices that directly correlate with improved customer loyalty and satisfaction.

Accordingly, the study concluded the strategic supplier partnership is the most important criterion out of the three variables tested, towards customer satisfaction. However, these three variables are very significant, and organizations should prioritize them in the process of inventory management in this competitive business field to reach higher customer retention.

Table 4: Summary of Hypotheses Analyses

Hypotheses	Analyses	Accept/ Reject the Hypothesis
H ₁ : Information technology is significantly associated with customer satisfaction	R 0.494 R ² 0.244 P 0.000	Accepted
H ₂ : Lean Inventory System is significantly associated with customer satisfaction	R 0.510 R ² 0.261 P 0.000	Accepted
H ₃ : Strategic supplier partnership is significantly associated with customer satisfaction	R 0.669 R ² 0.448 P 0.000	Accepted

The study investigated the effect of inventory management on the customer satisfaction in retail outlets of Bur Dubai and Al Nahda areas of Dubai. The findings of this study provide key insights to retail outlets managers that seek to design excellent inventory management practices and programs to achieve customer satisfaction.

Following the interrelationships between the dependent variable as customer satisfaction and independent variables as Lean Inventory management, Information technology, and Strategic supplier partnerships argued that inventory management implementation within the context of retail outlets will be more successful if based on excellent customer-oriented marketing. This is because efficiency in service delivery reinforces trust, which positively impacts customer satisfaction.

VI. Recommendations

Based on the study's findings, the following recommendations were proposed highlighting the inventory management and its applications to foster customer satisfaction in retail organisations specifically in Bur Dubai, and Al Nahda areas in UAE.

Retail outlet managers should invest in modern technology to be up to date with market requirements and to meet the customer demands with a high level of efficiency. There should be an encouragement for the customers to provide feedback on product availability and inventory management processes of the stores and actively listen to customer suggestions and address concerns to enhance overall satisfaction and loyalty.

Integrate inventory across multiple sales channels, including online platforms and physical stores, to provide customers with seamless shopping experiences. Track key performance indicators such as inventory turnover rate, stock-to-sales ratio, and fill rate to assess inventory efficiency and identify areas for improvement. Use data-driven insights to optimize inventory management strategies.

Considering the lean inventory management procedures, improved on-time delivery and complete order levels for customer satisfaction, and introducing applications of waste elimination and inventory control strategies will be very productive. Provide comprehensive training to staff members on inventory management procedures, including accurate record-keeping, stock replenishment, and handling of merchandise. Empower employees to identify and report inventory issues promptly. Offer a diverse range of products to cater to different customer preferences and increase the likelihood of finding desired items in stock. Monitor market trends and customer feedback to identify popular products and adjust inventory accordingly. Further, establishing long-term relationships with suppliers is beneficial. Such relationships facilitate better product quality, reduced lead times, and improved customer service, all contributing to higher customer satisfaction. Moreover, it is important to jointly solve problems with suppliers. This collaboration not only improves product quality but also fosters a willingness among supply chain partners to share risks and rewards, enhancing overall customer satisfaction.

Limitations of study

Some of the limitations found during study and that can be addressed further are as follows. The findings of the study may not be externally valid or applicable to retail outlets operating in different industries, regions, or market segments, limiting the broader relevance and utility of the research findings. Respondents' perceptions of inventory management practices and customer satisfaction may be influenced by social desirability bias, leading them to provide responses that align with societal norms or expectations rather than their true opinions or experiences. The sample of retail outlets selected for the study may not be representative of the broader retail industry, leading to potential biases in the findings and limiting their applicability to other settings.

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