

**Satisfaction and sales – cause or correlation?
Consumer research & relationship marketing at WHSmith
Helsinki-Vantaa airport (SSP Finland).**

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<p>Today's everchanging and evolving business world requires a lot of adaptation from companies, not just companies, but everyone involved in a business, from employers to employees and even customers.</p> <p>One of the biggest problems that companies face is customers: how to get them and how to keep them. Customers always have expectations. Whether you are buying a coffee on the way to work, to even more demanding things like buying a house. We have a need for something and expect a certain standard to what we are buying. Meeting these expectations can make or break a business.</p> <p>It is very important in this growing environment that we follow and learn to understand some of the basic needs that customers have and how meeting these needs can help businesses grow. To be a successful business there is a need to make money. Many businesses know how to make money, but some do not know how they can maximize their money making.</p> <p>This thesis juggles some ideas on how satisfaction, which is a basic need, can affect the sales of a company. The thesis includes a customer satisfaction study and a sales comparison conducted at a WHSmith store at Helsinki-Vantaa airport. The commissioning company was Select Service Partner Finland OY. The customer satisfaction study was conducted over the span of four weeks. The results of the study show the level of customer satisfaction over that period and the comparison and analysis of the results, along with the recommendations, give some clarification of the current situation and what it means.</p> <p>This is a commissioned based thesis. It consists of benchmarks that a company might take to measure customer satisfaction, some background theory on the benchmarks, and the benchmarking results of the store in question. The study was conducted during my marketing and product development trainee position in the summer of 2017 and the writing process during the 2017-2018 academic year.</p>	
Keywords Customer satisfaction, sales, benchmarking, relationship marketing, consumer research	

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1 Introduction

Many businesses understand and realise that there is some sort of link between customer satisfaction and sales. Many businesses also understand the importance of keeping your customers interested and well informed. However, many businesses might not think too much about how much effort the customer puts into buying their service or product, and how this affects new potential customers.

In this study, I will be analysing data that I have collected through surveying, interviewing and observing customers at one of the WHSmith stores at Helsinki airport over the span of four weeks. I will compare the collected data to the sales of the store, and see if there is a potential link, and explore the relationship.

I will also be weighing the different possibilities for Select Service Partner and other companies looking to measure and benchmark customer satisfaction and customer effort.

1.1 Background

The study is important to my case company Select Service Partner Finland OY (SSP), as they can use the findings to improve and implement in their stores, at the airport in Finland, and possibly even abroad.

Market research and consumer behaviour is one of the bedrocks on which sales are generated in, there are a lot of different models which show the methods to capture a customer's attention and finally lead to a buying decision, but only a few for showing the relevance of satisfaction.

The study used various tools at hand to evaluate the customers, how satisfied they were, would they be willing to buy again, and how it can be measured. Also comparing sales to these evaluations.

For my own professional benefit, I chose SSP and especially the WHSmith stores at the airport to be able to include a newly arrived concept in the Finnish market, to analyse and improve my professional insight using the models in this study, and to get a deeper knowledge of market research, relationship marketing, and consumer behaviour through hands on experience working with SSP Finland to benefit the company, myself, and the consumers.

1.2 Research Question

This thesis aims to benefit SSP, to give them valuable research which they can use to implement and measure the satisfaction of customers at their stores.

The research question (RQ) of the study is:

RQ. How customer satisfaction affects sales?

This can be divided into four separate investigative questions (IQs):

IQ 1. How to measure customer satisfaction at WHSmith?

IQ 2. How to ensure customer retention through satisfaction?

IQ 3. How to analyse customer satisfaction against sales?

IQ 4. How can customer satisfaction be improved in the new WHSmith stores?

Table 1 below presents the theoretical framework, research methods and results chapters for each investigative question.

Table 1. Overlay matrix

Investigative question	Theoretical Framework	Research Methods	Results (chapter)
IQ 1. How to measure customer satisfaction at WHSmith?	CSAT, NPS, CES, EDT.	Desktop, interviews.	3. Research methods.
IQ 2. How to ensure customer retention through satisfaction?	CSAT, NPS, CES, EDT.	Desktop, data analysis.	2. Theoretical Framework.
IQ 3. How to analyse customer satisfaction against sales?	CSAT, NPS, CES, EDT.	Desktop, questionnaire.	2. Theoretical Framework. 4. Results. 5. Analysis & comparison.
IQ 4. How can customer satisfaction be improved in the new WHSmith stores?	CSAT, NPS, CES, EDT.	Desktop, questionnaire, interviews.	5. Analysis & comparison. 6. Recommendations.

1.3 Demarkation

I concentrated the study on a specific WHSmith store at Helsinki airport. I set out to find out how customer satisfaction affects the sales in the store, which was my main focus of this study. What kind of possibilities are there to boost the sales through customer satisfaction, and how to measure the customer satisfaction. Along with the results that I discovered from the study I will be using three main models to make generalisations.

The focus of the study is mainly on the customer satisfaction and sales, but there is also a need to incorporate the products that the customers buy and why. I analysed this through the sales data and opened the possibilities for reasons of purchase through the questionnaire and observations.

1.4 International Aspect

In this study, the international aspect is shown through the environment in which the study takes place (Helsinki-Vantaa Airport), the customers that have been surveyed, interviewed and observed, and the data analysis of WHSmith abroad with the comparisons between them and their Finnish counterparts.

1.5 Benefits

The aim of this study is to benefit all parties involved. From the customers to SSP and lastly me.

The benefit SSP is looking for, through this study, is what can be done to ensure and measure customer satisfaction and how this affects the sales of the WHSmith store in question. They will be able to use this study to help implement a tool, in which they can do this, and easily take over to the other stores that they oversee.

The study will also benefit the customers on making sure that they are satisfied and will be in the future while shopping at SSP owned stores.

I will be benefitting from not only networking in a wide multicultural and international company but also through putting my knowledge and skillset to the test. I will be looking to expand them and fine tune them so that I can use them in my professional career.

1.6 Key Concepts

Relationship marketing - "is a strategy designed to foster customer loyalty, interaction and long-term engagement. It is designed to develop strong connections with customers by providing them with information directly suited to their needs and interests and by promoting open communication." (Olenski 2013.)

Retention Marketing - Methods "to keep customers engaged and interested in your products and services" (Jao 2014). In this study I will be using a variety of different methods to find out the possible customer retention at WHSmith.

Consumer research - "identification of the preferences, motivations, and buying behaviour of the targeted customer. Information for marketing research is collected from direct observation of the consumers (such as in retail stores), mail surveys, telephone or face-to-face interviews, and from published sources (such as demographic data)". (BusinessDictionary 2017.)

Customer Value - Has two main categories, desired value, and perceived value. Desired value is referred to as what a customer desires from a service or product. Perceived value on the other hand is the benefit a customer believes to be getting from the service or product after they purchased it.

Customer Satisfaction - A customer can be either satisfied or unsatisfied with a service or product they have purchased. A customer is satisfied if their expectations have been met. A customer is unsatisfied if their expectations have not been met.

Customer Loyalty - A result of consistently meeting customer expectations. A loyal customer is a satisfied customer who prefers to buy from a specific organisation.

Key Performance indicators (KPI) - "are a set of quantifiable measures that a company uses to gauge its performance over time. These metrics are used to determine a company's progress in achieving its strategic and operational goals, and to compare a company's finances and performance against other businesses within its industry". (Investopedia 2017.)

Net promoter score (NPS) - Is an important KPI in measuring how the customer sees a company.

Customer effort score (CES) – Is an important KPI in measuring how much effort the customer is using when purchasing a service or product.

Customer Satisfaction Score (CSAT) – Is an important KPI in measuring how satisfied the customer is after receiving a service or product.

Benchmarking – Is a way a company can follow different metrics to give an insight on how the company is doing compared to other companies.

1.7 Case Company

Select Service Partner Finland OY operates restaurants, cafés, meeting facilities, and lounges at the following airports; Helsinki, Oulu, Rovaniemi, and Turku. It also has a couple of stores in Helsinki City centre.

At Helsinki Airport, the company operates several service points. In this study, I have conducted the work in one of those service points. One of the new WHSmith stores in terminal 2 airside.

SSP Finland employs 210 people. The company is part of the global SSP Group, which operates in 125 airports, 270 railway stations in 29 countries worldwide. The SSP brand portfolio includes more than 300 international, national and local brands, such as Starbucks, Caffè Ritazza, Burger King, Pizza Hut, Upper Crust, M&S Simply Food, WHSmith and Wine & View. SSP employs almost 30,000 employees and serves a million customers every day. (SSP Finland 2017.)

Select service partner Finland OY revenue for 2015 was 44.8 million. (Kauppalehti 2017.) SSP Group global revenue for 2015 was 1.8 billion. (Investors.foodtravelexperts 2017.)

WHSmith is a British retail company that was created in 1828. It sells books, magazines, newspapers, stationery, and entertainment products. WHSmith was the first chain store company in the world. The company is made up of two core businesses Travel and high-street. WHSmith operates over 1300 stores worldwide in 25 countries. 700 of these stores are in travel locations, with 160 units at airports. (WHSmithplc 2017.)

WHSmith global revenue in 2015 was 1.2 billion. (WHSmithplc 2017.)

WHSmith at SSP Finland has not released revenue information for the public yet.

WHSmith stores arrived in Finland late 2016, with the current store count being six at Helsinki airport (Finavia 2017) and will look to expand further to other travel locations in Finland.

1.8 Risk Management

A study will always have its own risks involved. This study had a few risks which I managed closely with the help of the commissioning company. The main risk was abiding by the airport regulations, there are a lot of them but the biggest one being the area confinement of where I could conduct the study. This was restricted to within the store premises. The risk before I started the study was, will I be able to get the needed amount of data through customers inside the store to successfully be able to generalise my results and create recommendations. The way we managed this is that I conducted the study in the store that had the most customer visits, to ensure that I got enough data necessary.

Getting customers to answer surveys at the airport is quite tricky. People are usually in a hurry and do not have time to answer questionnaires. The way I solved this problem was to conduct the surveying face-to-face and to also make the questionnaire short, and to the point.

Once I started collecting my results I ran into a problem, that most people thought that I was selling something or trying to get their details through a customer survey. During the first week of data collection I was only able to get 11 answers. I needed to extend the collection time to five weeks instead of the four weeks because of the small answer rate during the first week. I will not be using the results from the first week in this study due to insufficient data. We changed this by me getting a WHS shirt so I could hit the target of 50 answers per week. Just a change in appearance got the answer rate back up to something that I could work with.

2 Theoretical framework (Market research, relationship marketing, and Consumer behaviour)

In this chapter I will be going through the theoretical framework linking customer satisfaction with customer retention and loyalty, which affects sales. The main models I am using are the Customer Satisfaction Score (CSAT), Net Promotor Score (NPS), Customer Effort Score (CES), and the Expectation-Disconfirmation Theory (EDT). These theories are linked to my study and results.

2.1 Customer Satisfaction Score (CSAT)

It is well known that everyone has expectations when looking to buy a product or service. Whether these expectations are met, have a straight influence on the overall satisfaction of the customer. The customer satisfaction score is a measurement of happiness or satisfaction of a consumer through a survey or questionnaire.

In the case of my study it is a questionnaire held through a face-to-face interview. The score is given through an average and is shown in a percentage. I will be able to generalise the customer satisfaction rate and then determine through sales comparison, if the sales increased or decreased, to see if there is a correlation or if the satisfaction is a cause.

The CSAT, measures the overall satisfaction of the customer on a five-point scale. Starting from unsatisfied to satisfied. The measuring of customer satisfaction can be quite difficult using just one question, and the wording needs to be just right. Also, I need to consider the fact that I interviewed nearly all the customers that gave their input, meaning, most people will find it more difficult to give negative opinions when talking face-to-face. This can have a straight impact on the results of the study and needs to be considered when reviewing and analysing the results.

The CSAT is an important key performance indicator to follow, it allows companies to keep track of their customer satisfaction in real time. Even Though CSAT is an important KPI to follow, it only measures the short-term happiness of the customer. This gives an overview of the current situation, and the state of which the company is at, through the customer's perspective, but cannot be used as a reliable indicator of where the company is heading on its own. Which leads me onto the next KPI and question in the survey.

2.2 Net Promotor Score (NPS)

NPS is another loyalty metric which was developed by Fred Reichheld and introduced in 2003. NPS can be a very useful KPI that measures a customer's willingness to recommend a product or service to family, friends, and colleagues. (Reichheld 2017.)

In the case of my study I decided to implement NPS into my questionnaire as it nowadays is seen as a more valid option to measure the growth and direction of a company.

The way NPS is calculated is simple. A question asking the customer how likely they are to recommend the company, product, or service. The customer rates the likeliness out of 10. Depending on the response of the customer, they are divided into three different categories; detractors, passives, and promoters. Customers that have answered from 0-6 are detractors. These customers have a negative view of the company, product, or service, and might spread a negative opinion to others. The detractors might not purchase again unless something is not done to improve their experience. Customers that have answered from 7-8 are passives. These customers do not have a negative or positive view of the company, product, or service, and their loyalty cannot be assured. They are susceptible to competitors. They will not spread negative or positive opinions onto others. Customers that have answered 9-10 are promoters. These customers have a very positive view. They are loyal and enthusiastic. This group will recommend their own experience to others. (Customergauge 2017.)

The score is calculated by subtracting the percentage of detractors from the percentage of promoters. The results have a range of -100 to 100. If the score is -100 it means that every customer is a detractor and a 100 means that every customer is a promotor. NPS is a good indicator on the health of a company and shows customer loyalty. A score of above 0 is considered good, a score above 50 is considered great, and a score above 70 is considered excellent. (QuestionPro 2017.)

2.3 Customer Effort Score (CES)

CES is the last KPI that I decided to put in my questionnaire. CES calculates the effort a customer puts into a certain interaction with a company. From the purchasing decision all the way to finding the product (or service) and then buying it. In this study I used CES in my questionnaire for finding out how much effort a customer put into finding the product they were searching for in the store.

CES was created by CEB, now Gartner. The company evaluated the predictive power of CES against NPS and CSAT and found that it was stronger at predicting customer retention than the other two mentioned KPI's.

CES is measured by asking a single question. In my questionnaire it was: How much effort did you personally put forth to find what you needed? It is scored on a five-point scale from very low effort to very high effort.

“Customer service organisations can use CES, along with operational measurements to conduct an effort audit and improve areas where customers are expending undue energy. Many of the companies we work with use CES to intervene with customers at risk of defecting.” (Dixon, Freeman & Toman 2010.)

CES is believed to be the strongest predictor of customer retention due to two factors; its ability to capture customer impressions at the transaction level and its ability to capture negative and positive experiences.

2.4 Expectation-Disconfirmation Theory (EDT)

This theory was original introduced by Richard Oliver in 1977 and it has been applied into many fields. Kopalle, Lehmann, and Szymanski, Henard applied it to marketing and consumer behaviour. They apply the theory to the field by defining expectations as beliefs and that disconfirmation is the difference between expectations and actual experiences. If a consumer gets a better experience than they expected, then that will lead to a positive disconfirmation. If the consumer receives a worse experience than they expected, then that will lead to a negative disconfirmation. Consumers are satisfied if the disconfirmation is positive and dissatisfied if the disconfirmation is negative. How it is applied is shown in figure 1:

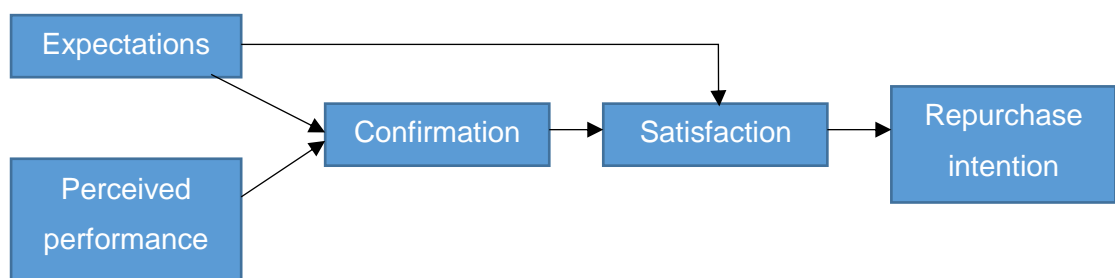


Figure 1. Causal flow of how satisfaction affects the purchase intent of a customer.

“Exposure to information about a product’s performance characteristics leads to the formation of product specific beliefs or expectations of the consumer ; 2) a cognitive comparison between expectations and actual experiences leads to a subjective calculation of disconfirmation; 3) a combination of expectations and disconfirmation determines the satisfaction level that, in turn, influences repurchase intentions; and 4) expectations are also direct determinants of satisfaction” (Liu, Dong & Burnkant 2013).

I will apply the theory to my study with the use of the model shown in figure 1. The questionnaire and observation will let me fill in the necessary fields and determine if the consumer will have a repurchase intention.

3 Research Methods

In this chapter I will explain my research methods and how I conducted the study. I received the data on sales to analyse from SSP, the CSAT, NPS and CES through questionnaires, interviews and observation.

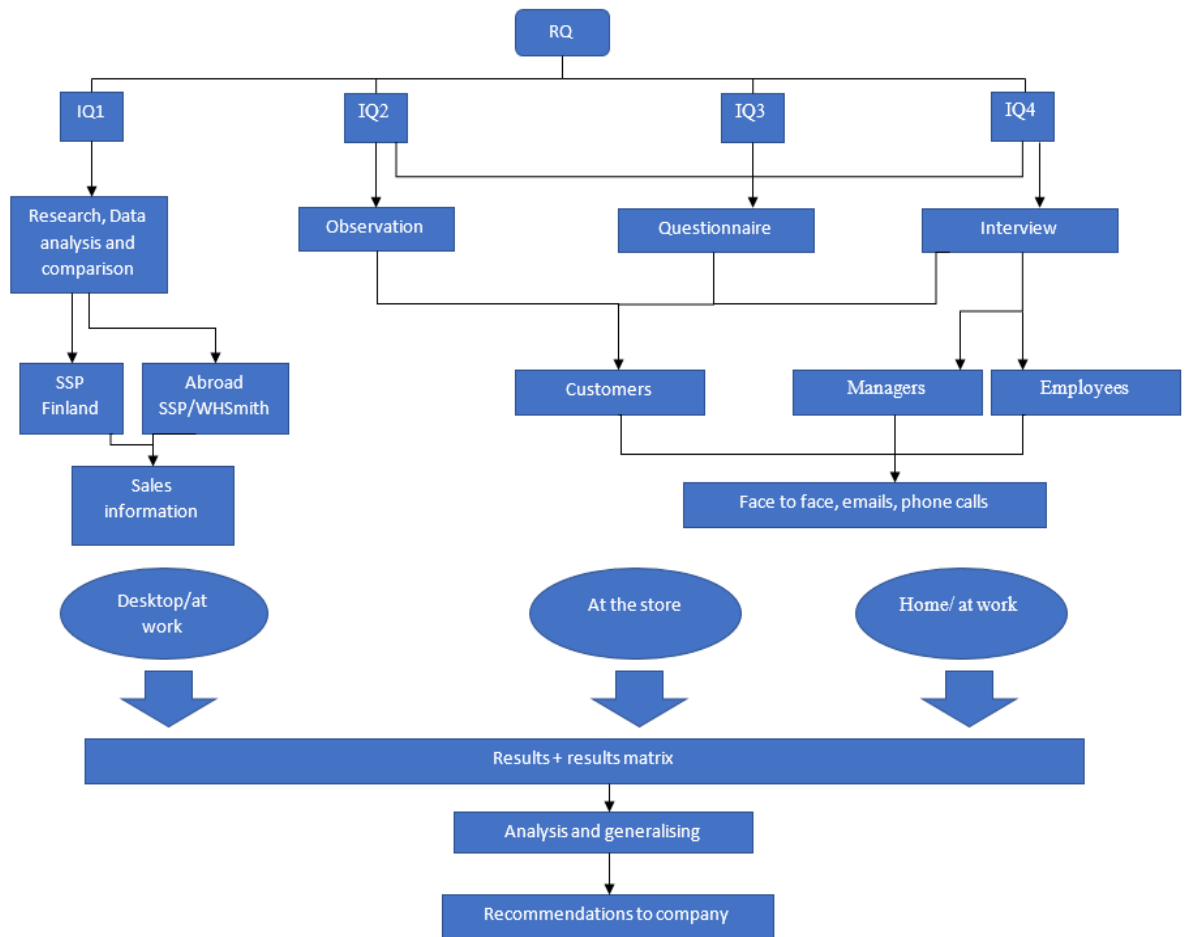


Figure 2. Research methods.

There are six separate stages I conducted my research in. From the above figure (Figure 2), you will be able to follow the stages. First stage: research and investigative questions. Second stage: methods used. Third stage: who or what the methods will be applied to. Fourth stage: how I received the data from the methods. Fifth stage: where the methods were conducted. Sixth stage: Results, analysis, generalising, and recommendations.

The RQ of the study is how customer satisfaction affects the sales. This will be aimed at one of the WHSmith stores at the airport, with the possibility to implement the findings and results at other stores that SSP oversee. The RQ has been split into four separate IQs that will help me to study the RQ reliably and in detail.

The methods I used in this study varied depending on the IQ. I used data analysis, re-search, and comparison to find out which products customers buy the most in WHSmith in Finland and abroad and the possible reasons why (IQ1). Observation and a customer questionnaire with boosting the sales through customer satisfaction and measuring customer satisfaction (IQ2 & IQ3). For the improving of customer satisfaction (IQ4) I will be using Interviews and the customer questionnaire.

This stage explains who or what the methods are applied to. There are five separate groups. Methods used in IQ1 were applied to SSP Finland and SSP/WHSmith abroad. IQ 2 and 3 methods were applied to customers. IQ4 methods were applied to customers, managers, and employees.

This stage shows how I received the data from the methods. For IQ1 I received the data through sales information. IQ2, 3, and 4 I received the data through face-to face interaction, emails, and phone calls.

Most of the study was conducted at the store. The rest of the study was completed at home and at work.

Finalising the study. Results data, checking the validity and reliability. Making a matrix of the results. Analysing and generalising the results. Lastly giving my recommendations to SSP.

Most of the study is carried out using qualitative research, but, there is also an aspect of quantitative research through the data analysis of product sales.

3.1 Questionnaire creation

I first had in mind that I could have used the current survey in place at the stores. I quickly concluded that the amount of answers would not be enough to conduct my study and that I needed to create my own questionnaire to be able to get enough data. I decided to create a web based questionnaire for customers to be able to complete using their own devices such as phones or tablets, and decided that webpropol would be the best option for this. The option of having customers answering using their own devices quickly diminished due to the lack of time to create a scannable link. So, I decided to conduct the questionnaire and surveying face-to-face with an iPad provided by SSP.

To create the actual questionnaire, I thought about the problem with the current system of measuring customer satisfaction at the WHSmith's. I concluded with the added opinions by other co-workers at SSP, that the questionnaire currently being used is too long. It has good incentive for customers to want to answer, but, at the airport customers do not want to answer a questionnaire that takes about 7 minutes to complete.

My survey needed to be quick to fill out and be able to measure the KPI's that should be followed to be able to determine the health of the store. I made my questionnaire short and to the point. The questionnaire took roughly 1-2 minutes to complete.

There was also the need to create an option for the Finnish speakers, so I made two versions which work through a link (figure 3). I made the questionnaire with the thought that the design could be implemented by SSP later if they decide that it is what they need or want.



Figure 3. Language choice.

I wanted to make the questionnaire very simple so that all customers could complete it. I made three main questions measuring the CSAT, NPS, and CES. I also added open answer options for the questions measuring CSAT and CES so that SSP could get more information (figure 4).

1: How would you describe your overall satisfaction after shopping at our WHSmith?

Very dissatisfied

Somewhat dissatisfied

Neither satisfied nor dissatisfied

Somewhat satisfied

Very satisfied

If not satisfied then why?

2: How likely is it that you would recommend WHSmith at Helsinki airport to a friend?

0 1 2 3 4 5 6 7 8 9 10

Not at all likely Extremely likely

3: How much effort did you personally have to put forth to find what you needed on a scale of 0-5?

Very low effort Very high effort

If you had to put high effort, what could we change to make things easier for you?

4: If you have anything else to mention please feel free to comment below!

Thank you for your valuable input!

Figure 4. Questions in English.

The questions were also made in Finnish (figure 5).

1: Kuinka kuvailisitte yleistä tyytyväisyyttänne WHSmithin käyntinne jälkeen?

Erittäin tyytymätön
 Jokseenkin tyytymätön
 Ei tyytyväinen eikä tyytymätön
 Jokseenkin tyytyväinen
 Erittäin tyytyväinen

Mikäli ette olleet tyytyväisiä, niin miksi?

2: Kuinka todennäköistä on, että suosittelette Helsinki lentokentän WHSmithia kaverillenne?

Ei lainkaan todennäköistä 0 1 2 3 4 5 6 7 8 9 10 Erittäin todennäköistä

3: Asteikolla 0-5, kuinka paljon vaivaa oli löytää etsimänne?

Ei yhtään 0 1 2 3 4 5 Erittäin paljon

Mitä voisimme muuttaa, jotta löytäminen helpottuisi?

4: Mikäli teillä on jotain muuta lisättävää, voitte kommentoida alle.

Kiitos arvokkaasta palautteestasi!

Figure 5. Questions in Finnish.

All the customers interviewed seemed to understand the questionnaire. At the end of the questionnaire I wanted to thank them for their valuable input when submitting their answers (figure 6).



Figure 6. Submit.

The way the questionnaire was made, make it easy to build and finetune if SSP decide to implement it. CSAT is calculated using question 1. NPS is calculated from question 2. CES is calculated using question 3.

4 Results

In this chapter I will go through the results of the study. All results shown are from the four weeks surveying was conducted. I recorded the results weekly. As explained earlier the very first week of the study did not yield the desired amount of answers for it to be viable, so it is left out and week two is shown as week one. The weeks the study was conducted are as follows;

Week 0: Not viable not enough respondents (31.7-6.8)

Week 1: 7.8-13.8

Week 2: 14.8-20.8

Week 3: 21.8-27.8

Week 4: 28.8-3.9

My target of 50 answers per week was met every week as seen in the results. I made tables in excel to calculate the percentages for the KPI's and from the tables I created graphs. Each KPI has its corresponding table and graph.

4.1 CSAT

In the CSAT table (table 2) you will see that the results are shown weekly and the number of respondents has been marked for their corresponding answers.

Table 2. CSAT results.

	Very dissatisfied	Somewhat dissatisfied	Neither satisfied nor dissatisfied	Somewhat satisfied	Very satisfied
	20 %	40 %	60 %	80 %	100 %
week 1			2	30	18
week 2		1	5	31	16
week 3		1	6	26	22
week 4		1	5	20	30

After putting the results into a table, I calculated the average percentage by multiplying the number of respondents by their answer, adding them all and then dividing by the weeks overall number of respondents. As an example, week 1; $(2*0.6+30*0.8+18*1)/50 = 86\%$. This gave me an average percentage for the customer satisfaction for week 1. I made another table to show this (table 3).

Table 3. CSAT weekly average.

Total satisfaction	week 1	86 %
No. Of respondents	50	
Total satisfaction	week 2	83 %
No. of respondents	53	
Total satisfaction	week 3	85 %
No. of respondents	55	
Total satisfaction	week 4	88 %
No. of respondents	56	

From table 3 I created the graph (figure 7).

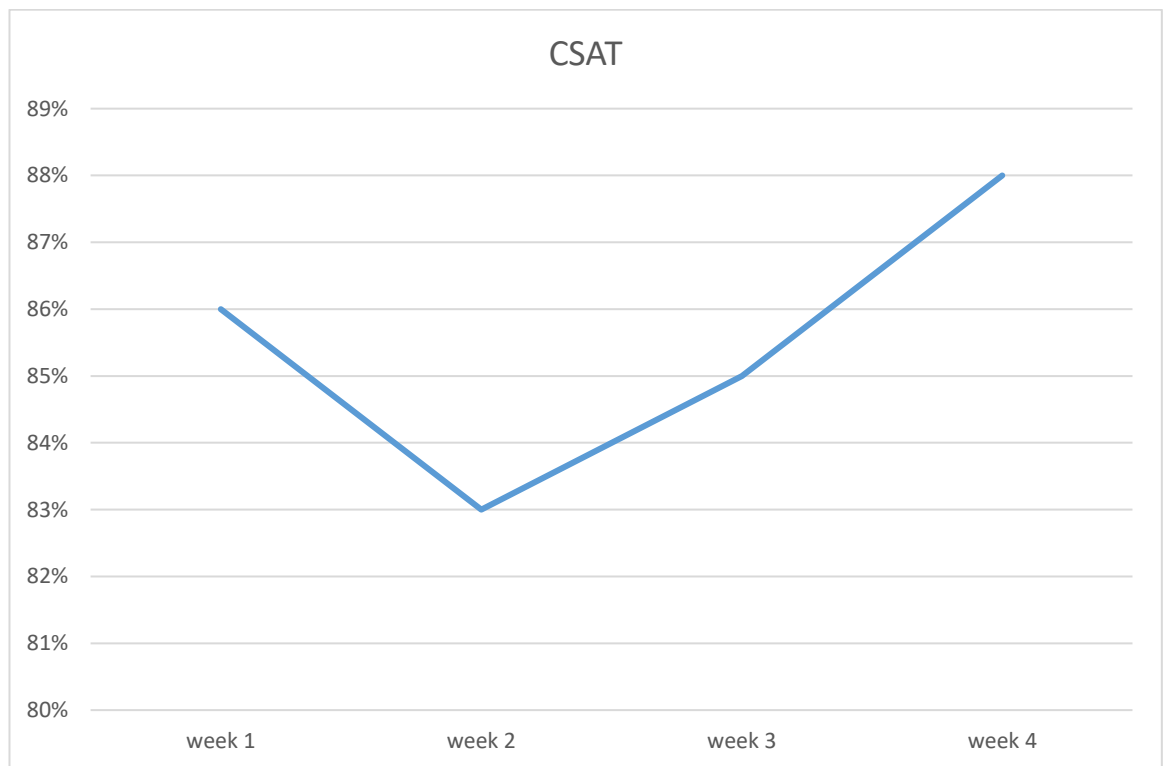


Figure 7. Weekly average CSAT.

4.2 NPS

NPS results were put into a table using the same method as in CSAT (table 2). The only difference being the answer options. In chapter 2.2 it is explained that NPS uses detractors and promoters based on their answer, this is shown in the table for NPS results (table 4)

Table 4. NPS results.

	Detractors	Promotors	Passives	Respondents
week 1	6	24	32	50
	12 %	48 %		
week 2	6	31	28	53
	11 %	58 %		
week 3	6	32	29	55
	11 %	58 %		
week 4	4	34	26	56
	7 %	61 %		

The percentage shown underneath the promoters and detractors for each week, is the percentage of the respondents for each answer out of the total weekly respondents. Calculating this made it easier to calculate the total NPS percentage for each week. I created a new table (table 5) to show the weekly average.

Table 5. NPS weekly average.

	Total NPS
week 1	36 %
week 2	47 %
week 3	47 %
week 4	54 %

The weekly average NPS percentage was calculated taking away the percentage of detractors away from the percentage of promoters in the corresponding week. As an example, week 1; $48\% - 12\% = 36\%$. From the NPS averages I created the weekly average graph (figure 8).

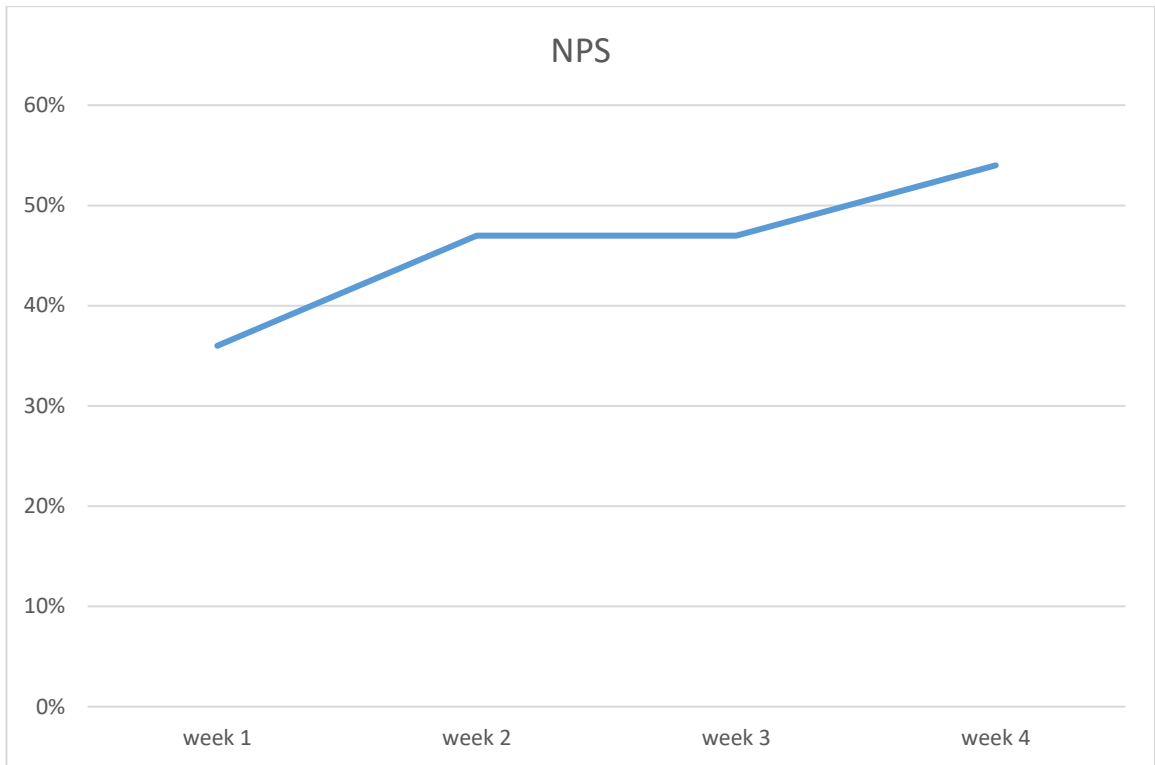


Figure 8. Average weekly NPS.

4.3 CES

Calculating the CES results I followed the same steps as in the KPI's above. First creating a table to show the weekly answer results (table 6).

Table 6. CES results.

	Very low effort (0)	1	2	3	4	Very high effort (5)
	0 %	20 %	40 %	60 %	80 %	100 %
week 1	31	10	1	5	3	0
week 2	21	24	5	3	0	0
week 3	19	30	4	1	1	0
week 4	16	38	1	0	0	1

Second step, creating the weekly average for CES (table 7).

Table 7. CES weekly average.

	Respondents	Total CES
week 1	50	16 %
week 2	53	16 %
week 3	55	16 %
week 4	56	16 %

The average weekly CES was calculated by using the same technique as calculating the average CSAT. As an example, week 1; $(31*0+10*0.2+1*0.4+5*0.6+3*0.8+0*1)/50$.

Third step, creating the graph to show the weekly average (figure 9).

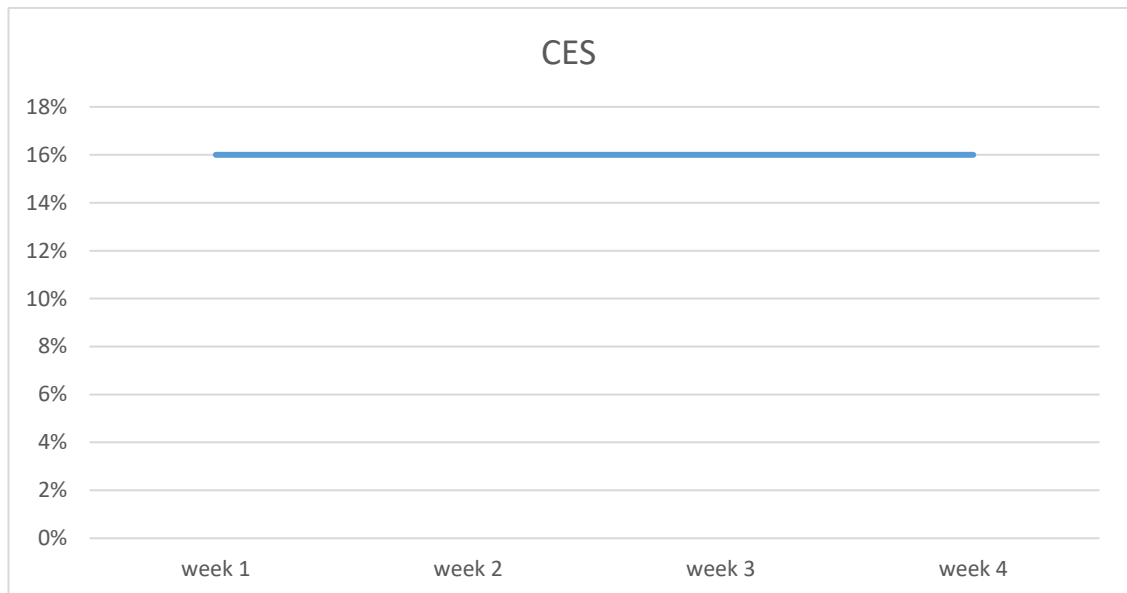


Figure 9. Average weekly CES.

4.4 SALES

Calculating the sales was simple. SSP uses MyMicros (business intelligence suite) so all the sales data I found through running a sales rapport for each week. Because of the disclosure agreement the sales data will not be shown for the public in this study, but I followed the same steps as in the above KPIs in creating the graph for sales. The graph shown gives a general direction of the gross sales in the store in question without showing numbers (figure 10). The reason for the graph is for comparison between the customer satisfaction and sales.

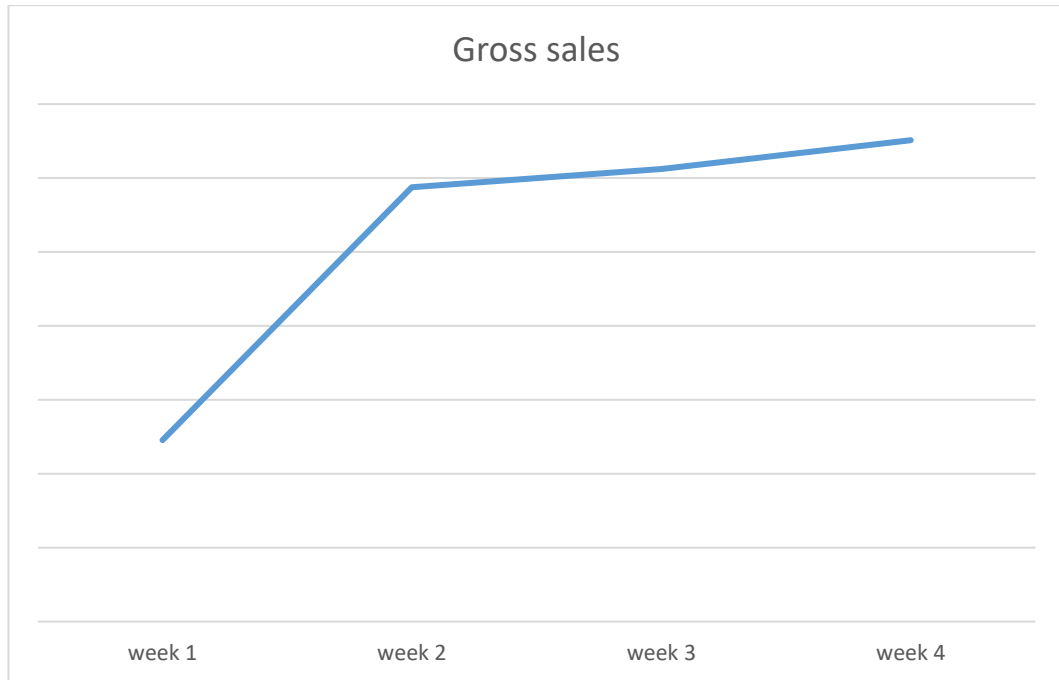


Figure 10. Weekly gross sales.

5 Analysis & comparison

I will begin by analysing the results of each KPI, apply the theory where possible, and move onto comparing the KPIs to sales.

CSAT, given in a five-point answer scale helps customers answer precisely on how satisfied they are with the service. For the CSAT question, in the study that I conducted, I received a total of 214 answers over the span of 4 weeks, with the lowest answer count for a week being 50, and highest 56. Looking at table 2 in chapter 4.1, we can see that the highest rated answer for customers was “somewhat satisfied”, getting a 50% of the total answers. While this gives a very good indication that the current level of customer satisfaction at the WHSmith store is at a decent level it still leaves room for improvement. The overall CSAT score weekly (table 3), was in between 83% and 88% which is considered as good, and that most of the customers are satisfied enough.

Linking CSAT to EDT we can follow the causal flow figure 1 in chapter 2.4. Because most customers were somewhat satisfied and very satisfied, we can conclude with the help of EDT that customer expectations and the perceived performance of the service is being currently met at the WHSmith store in question.

The score for NPS is given using detractors and promoters. Detractors being customers that will spread negative opinions, while promoters will spread positive opinions about the company. NPS being a very good KPI to measure growth. Again, the answer count for the NPS question in the study was 214. The range of detractors (table 4) over the course of the study was from 7% to 12%. The range of promoters (table 4) was 48% to 61%. The lowest promotor score was 48% which was in week 1 while the highest was 61% in week 4. The overall NPS over the course of the study was 36% to 54% (table 5). Anything over 50% in NPS is considered as a straight indicator that the company is doing well and growth will continue. (QuestionPro 2017.)

Linking NPS to EDT (figure 1) we can safely say that all the criteria for the satisfaction of customers have been met. The repurchase intention when the customers next visit the store is good, and through NPS the customers will help the company grow by bringing in new customers.

CES, uses a five-point answering scale similar to CSAT. It is believed to be one of the best KPIs to follow for customer retention. The total answer count for CES was also 214. In the CES results (table 6) it is very clear to see that most customers found what they

wanted effortlessly. The weekly CES (table 7) stayed at a steady 16% over the course of the study. Anything below 20% is considered as good.

Linking CES to EDT. CES focuses on the effort of the customer while buying a product or receiving a service. While it doesn't link straight to EDT, we can assume that customers perceived expectations involve the customers perceived effort to find a product or receive a service. This in turn will affect the whole causal flow. Thus, the CES being low at WHSmith, can be linked straight to customer retention through the causal flow diagram (figure 1).

Now, comparing these KPIs to the gross sales (figure 11) we can see that in most cases the growth in sales is similar to the growth in KPI, with NPS having the closest similarity.

CSAT compared to sales (figure 11) has similarities with the exception that in week 2 CSAT has a dip. The dip between week 1 and week 2 is only 3% which could be an example of the change in customer service for a few customers. The curve from week 2 onwards shows steady growth. The CSAT compared to the gross sales over the study period has similarities and can show that CSAT is a cause for growth in sales, but with the shortness of the study I have insufficient evidence to support correlation.

NPS (figure 11) has the most similarities of all the KPIs compared to the gross sales. It has a growth curve which can be linked straight to the growth curve of gross sales. This indicates that there is a clear correlation between the two, from that, one could assume that the NPS indicates the growth in sales. However, this would have to be studied further over a longer period to be able to draw hard evidence to show that NPS is a cause of sales.

The CES compared to gross sales graphs is probably the hardest to show relation. Because of the relationship cannot be seen visibly in a graph does not mean it is not there. We could open with the fact that customer effort staying low over the course of the study period helped towards the customer buying from the store, and this in turn effects the sales. On the other hand, visibly this is not shown in figure 11.

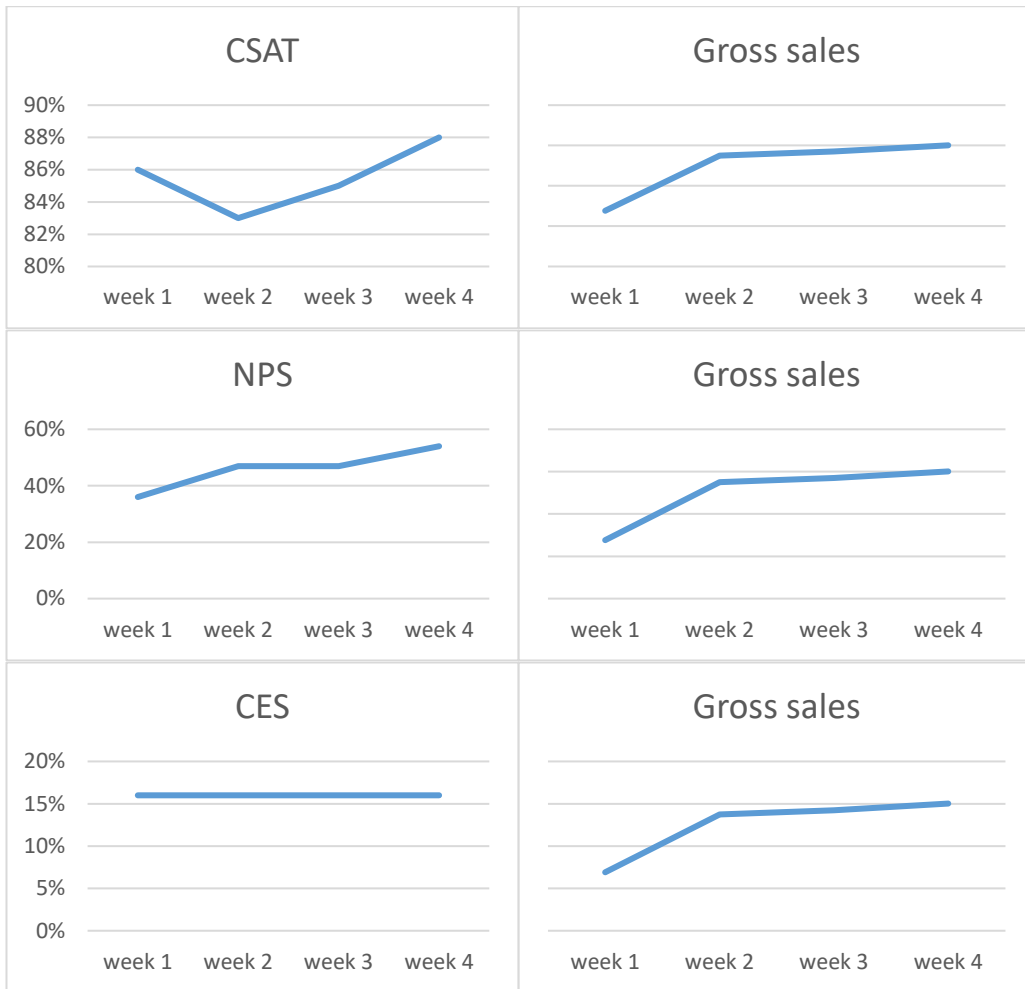


Figure 11. Satisfaction compared to sales.

6 Recommendations

There is a clear link between sales and satisfaction, to what extent this link goes to is hard to say without a larger study.

The case company of this study through the results have shown that the current satisfaction of customers is at a very good level. They should keep on putting in effort to the right areas and getting customers interested in their products and services at the airport. This will in turn allow them to grow and expand, to new areas in Finland and possibly increase sales even more.

Keeping the customers satisfied, will ensure that the company is seen in a good eye to the public, and bring in new ones. Keeping customers satisfied will also get harder and harder in the future, with technological advancements and demands for even better quality of service and products. Looking after your employees and keeping them happy will make sure that you will have happier customers.

In conclusion, the results of the study and taking in mind all the KPIs used to measure satisfaction, we can assume that there is indeed, a partnership between satisfaction and sales and that satisfaction affects sales. However, to be able to give an answer to if satisfaction, is a cause or correlation to sales, or how it affects sales, this study would need to be extended over a longer period.

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