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**CUSTOMER SERVICE LEVEL IN RETAILS SHOPS**

**CASE VALKEA SHOPPING CENTER**

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# ABSTRACT

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This thesis explored customer service quality in retail shops at Valkea Shopping Center in Oulu, Finland. The research aimed to evaluate how customer service is delivered in selected shops and to identify areas of improvement. A qualitative approach was employed via mystery shopping and observational techniques to gather data on employees' behavior, interaction quality, and responsiveness of service. The study was guided by key service quality and customer satisfaction concepts, including the SERVQUAL model that specifies five service dimensions: tangibles, reliability, responsiveness, assurance, and empathy (Parasuraman, Zeithaml & Berry 1988.) The literature has also addressed the contribution of frontline employees to customer experience, especially in competitive retail environments.

The results exhibited significant variation in service quality among stores. Some retailers provided proactive and interactive service, whereas others showed a lack of attention to customers. Most of the customer contact was brief, with few employees initiating contact or offering assistance unless prompted. The results imply a requirement for enhanced customer service training and the implementation of service standards to foster consistency. Future research can examine how cultural issues impact expectations of service, and the effectiveness of training schemes at improving customer encounters.

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# 1 INTRODUCTION

Customer service level of Valkea Shopping Center, a popular shopping center with customers from diverse multicultural backgrounds, is examined in the present thesis. The research attempts to examine customer service consistency and quality of the experience in stores at Valkea Shopping Center through mystery shopping, with the general aim of discussing strengths and shortcomings in service delivery. This study employs qualitative research methods, including systematic observation and content analysis, to analyze customer interactions and service performance across various retail shops. By the examination of these attributes, the study aims at making recommendations about improving service quality and consistency. The results expand retail business service performance knowledge and offer experiential guidelines about how companies can enhance their style of customer service.

Customer service is the key to retail business success because it is essential to customer satisfaction, loyalty, and business performance. In retail competitive markets, superior and consistent customer service is a source of competitive advantage that can shape purchasing decisions and create long-term customer loyalty (Parasuraman, Zeithaml, & Berry, 1988.)

Customer service in retail environments involves several dimensions, such as employee behavior, responsiveness, attentiveness, and overall service quality. Buyers evaluate a shop not only in terms of the quality of goods and price but also the quality of service. Hence, performance measurement of customer service is an essential tool for retail companies to deliver improved service and please customers. Mystery shopping can be an appropriate measure of the quality of services, which can be independently audited by competent experts acting in the role of consumers. It is a highly effective tool for gaining rich data on employees' performance, consistency in service, and areas of improvement (Wilson, 1998).

The theoretical foundation of the research relies on basic principles of customer service quality, mystery shopping research design, observation, and qualitative data analysis. It is general interaction between employees and customers, including attentiveness, responsiveness, and professionalism. Mystery shopping and systematic observation provide reflective information on performance and consistency by employees in providing services, thus allowing companies to determine strengths and weaknesses. By examining various elements of service encounters, the techniques allow understanding and development of customer service standards in retailing.

The significance of this research is that it can provide prescriptive advice to retail firms who want to optimize their service performance. Understanding the drivers of customer satisfaction and service quality can assist firms in developing effective training programs, implementing best practices, and design a more attractive shopping experience for customers. Second, the findings of this study can serve as an effective instrument for retail managers, entrepreneurs, and service professionals who want to maximize their customer service strategy and enhance the reputation of customer service in Valkea Shopping Center.

Later chapters shall unveil the theory base, study design, analysis of data, and general conclusion of the research and end up discussing how the practices of customer service can be enhanced in retail companies for enhanced business performance as well as consumer satisfaction.

I used the help for AI to correct the language and to regenerate some ideas.

## 2 VALKEA SHOPPING CENTER INTRODUCTION

According to the official Valkea Shopping Centre website ([kauppakeskusvalkea.fi](http://kauppakeskusvalkea.fi)), Valkea Shopping Centre is an extraordinary urban complex in the heart of Oulu, Finland. The centre consists of two linked blocks, together united without interruptions by Kesäkatu ("Summer Street"), a pedestrian mall which is not only a passageway but also an event space for various events and social events. This building's design creates a vibrant and dynamic cityscape that combines retail, restaurant, residential, and recreational activities to cater to the diverse needs of locals and tourists.

Valkea comprises around 50 restaurants and stores, including the world-renowned Sokos department store, offering a wide variety of products and services. The centre's diverse commercial offerings make it a focal point for shopping and dining in Oulu, contributing to the life of the city's economy and society. Apart from its retail function, it is also the highest residential high-rise building in city center Oulu, which is an expression of the modern phenomenon of mixed-use urban development, with residential functions incorporated into commercial and public spaces.

Valkea Shopping Centre's positioning and wide-ranging services have made it a high-profile city spot with a continuous flow of clients. The simplicity of access to the center on foot, public transport, bicycle, and automobile only serves to make it a more attractive center in Oulu. With its combination of retail, residential, and event spaces, Valkea embodies principles of contemporary urban planning in encouraging multifunctional spaces to fit various needs within society and therefore performs a vital role as part of the urban environment in Oulu.

### **3 CUSTOMER SERVICE EXCELLENCE: CONCEPT, IMPORTANCE AND EVALUATION METHODS**

Customer service plays a central role in defining the entire customer experience, which in turn influences overall business prosperity. This chapter explores two central concepts: customer service and customer experience, explaining their definitions, significance, and the essential attributes and skills needed for delivering high-level service. In addition, it introduces mystery shopping as a research tool for assessing service quality from the customer's perspective. The chapter discusses how improved customer service leads to stronger customer satisfaction, business success, and long-term profitability, as outlined by existing literature.

#### **3.1 Customer Service: Definition**

According to Devlin (2015), customer service involves going beyond satisfying the customer's minimum requirements by delivering an experience that surpasses expectations and fosters a positive perception of the company. Customer service is the assistance and support that a company provides its customers throughout the period of contact with the company, prior to, during, or after a purchase. Customer service involves all interactions customers have with a company face-to-face, over the phone, or online and aims to enhance the customers' experience and happiness (Devlin, 2015.)

Customer service involves the actions and communication that fill the gap between the company's offerings and the customer's requirements. Product-specific information, problem-solving, and overall help are all involved to ensure that customers' requirements are addressed timely and efficiently (Stevens, 2010.)

#### **3.2 The Significance of Customer Service**

Customer service is one of the drivers of customer loyalty, satisfaction, and long-term business relationships. Good service can make an enterprise stand out from competitors, create brand reputation, and directly impact an enterprise's success. Customer service excellence can result in greater customer retention, customer lifetime value, and word of

mouth referrals. Excellent customer service not only exceeds but surpasses the customers' expectations and has a lasting positive impression that makes them return for business. Poor service, on the other hand, destroys a company's reputation and causes customer turnover and lost revenues (Delvin, 2015.)

Heppell (2015) emphasizes that customer service also leads to improved business outcomes. Customers who are satisfied with good service keep returning, bond closer with the company, and spread word-of-mouth about good experiences, which leads to improved revenues. In contrast, when customers have something bad happen, they will speak negatively by mouth, and it can severely destroy the company's reputation and lose its competitive edge (Heppell, 2015.)

There exists an amazingly effective relationship between business success and customer service. Excellent customer service not only drives higher customer satisfaction but also drives higher sales, customer loyalty, and higher brand value. Repeat customers are likely to return to visit a business and refer others, which is something that drives revenue and profitability straight away (Devlin, 2015.)

### **3.3 Customer experience**

Jain, Aagja & Badgare (2017) define customer experience (CX) as the combined perception and response of customers that occurs as a result of interaction with a firm and comprises cognitive, affective, sensory, and behavioral factors .

Customer service, which is a fundamental part of CX, has a direct bearing on perceptions via the standard of assistance and help provided through interactions with customers. Good customer service enhances the overall CX, leading to higher satisfaction, loyalty, and word-of-mouth Therefore, firms that desire to improve CX need to pay attention to offering good customer service in order to develop positive customer attitudes and behaviors (Mahr, Stead, & Odekerken-Schröder, 2019.)

### **3.4 Quality of customer service**

Good customer service requires some character and skill. These traits make the customers well served and their experience a pleasant and lasting memory.

#### **Empathy**

For instance, makes the customer service representative personally relate to the customers, particularly when dealing with complaints or problematic issues. In addition to patience, human service representatives use these traits to handle situations of concern in a calm and professional environment, thereby ensuring customer satisfaction and averting escalation (Stevens, 2010.)

#### **Effective communication**

Stevens (2010) identifies that effective communication is the determinant of delivering excellent customer service, offering clarity and professionalism in handling interactions. Active listening is of utmost significance because service representatives need to understand customers' problems holistically before issuing a response. This helps prevent misunderstandings and creates confidence, making the customers feel valued. Positive words and a polite, empathetic tone also enhance the level of customers' satisfaction. Stevens (2010) highlights that businesses that concentrate on honest and empathetic communication enjoy greater customer loyalty and retention. Not only spoken but also written communication through emails, chat support, and social media should be professional and understandable (Stevens, 2010.)

#### **Problem-Solving**

Problem-solving in customer service is also highlighted by Stevens (2010), as this entails the detection of a problem and coming up with a solution that works in good time. A qualified customer service agent must analyze the situation, consider possible solutions, and implement the most appropriate step while updating the customer. Problem-solving involves critical thinking, flexibility, and creativity to tackle unforeseen challenges efficiently. For example, if a customer has a technical issue, the agent is not only supposed to resolve it but should also provide alternative solutions to prevent frustration.

Research has shown that companies that emphasize problem-solving in customer service training have seen higher customer satisfaction and long-term loyalty (Stevens, 2010.)

### Responsiveness

In addition, responsiveness is the level of speed and effectiveness with which an organization responds to a customer's requirements. With the high-paced world today, customers anticipate quick service, and delays generate frustration and discontent that may prompt customers to seek alternatives. Timely responses build trust and loyalty, while delays erode customer trust. One should also possess thorough knowledge of the company's products, services, and policies to provide accurate information and also to solve problems effectively. Effective verbal and non-verbal communication skills are also necessary. Active listening, clear explanations, and making the customers feel understood and heard are vital to effective service encounters (Kamin, 2010.)

### Personalization

Personalization is also a key factor in making the customers feel special by being sensitive to their requirements and preferences and tailoring the interactions according to their individual requirements. This involves gathering and using relevant information about the customers, such as their phone numbers, birthdays, favorite colors, or products. Kamin (2010) highlights that personalized details make the customers feel special, as they believe that the company cares about their individual needs. As firms offer personalized service, they show that they are interested in selling more than one product they are interested in building a long-term relationship with the client. It is more than transactional interactions, which make the client feel like a guest in the firm's home, with attention to details that matter most to the client. This renders the experience highly memorable and assists in the type of atmosphere where the customer feels heard and valued.

### Customization

Customization turns the experience into a valuable, long-term relationship rather than a transaction, making customers feel valued and appreciated. Consistency, on the other

hand, ensures that customers have the same good experience regardless of the channel or platform they use to engage with the company. In person, online, or on the phone, regular service builds trust and minimizes customer frustration (Kamin, 2010.)

## Training

A key to delivering excellent customer service is ensuring customer service representatives are well-trained and empowered to make decisions on behalf of the customer. Proper training equips customer service personnel with the skills, knowledge, and confidence to handle a variety of customer scenarios effectively. Training provides representatives with extensive information regarding the company's products, services, and policies so that they can better and more accurately respond to customers' questions, thus creating trust and satisfaction (Kamin, 2010.)

Fig 1 present tips proof that training should not be confined to product knowledge but should encompass emotional intelligence, problem-solving, and conflict resolution. These qualities enable customer service representatives to manage difficult interactions, resolve problems compassionately, and solve issues in a way that makes customers feel valued (Stevens, 2010.)

## Empowerment

Bowen and Lawler (1992) consider empowerment to grant frontline employees' autonomy to deal with customer requests by themselves, resulting in shorter response times and problem-solving efficiency. Workers become more confident, engaged, and responsible when they have the authority to make decisions with minimal managerial intervention, thereby delivering better service interactions. Empowerment encourages the growth of a sense of responsibility and ownership and therefore leads employees to go beyond policies and rules in meeting the customer's needs in an appropriate manner. By such positive reactions, consumer confidence and loyalty increase because of timely and personalized assistance by the consumer. But in a bid to ascertain effectiveness in empowerment, organizations are required to offer transparent policies, appropriate training, and assist staff members in their decision-making processes. Through the

establishment of an empowerment culture, firms can ensure a customer-oriented and responsive service climate that guarantees long-term success and competitiveness (Bowen & Lawler, 1992.)

<b>Do</b>	<b>Don't</b>
See the best in your customers.	Expect customers to be dishonest.
Keep your promises.	Blame the customer; take responsibility yourself.
Make your customers feel comfortable when they return goods or call in a money guarantee	Make customers feel bad for complaining or doubt their story.

Fig 1.Brilliant tips (Stevens, 2010)

### 3.5 Mystery Shopping

Mystery shopping is an application of observation in real life in retail, hospitality, and banking services. Mystery shoppers become customers and enter into the services without detection. They comment on some of the service attributes, such as employee behavior, knowledge of products, productivity, and store cleanliness. They document their observations carefully and compile them into reports, which are used by companies to determine strengths and weak areas (Sweeney et al, 1999.)

Sweeney et al (1999) note that mystery shopping is particularly valuable since it allows organizations to assess customer service from a customer's eye view, gathering insights that could be lost using traditional customer satisfaction questionnaires (Sweeney et al, 1999.)

One of the strongest benefits of observation is that it has the ability to capture quantitative and qualitative data. For instance, customer service duration can be measured

quantitatively, whereas emotional tone, communication styles, and body language are assessed qualitatively. The complementarity of these sources of data provides an overall picture of the service encounter. Trends evident over several observations can detect lasting behavior or chronic problems that are causing significant business gains (Patton, 2002.)

Spradley (1980) describes two general types of observation: participant observation, where the observer is involved with the group, and non-participant observation, where the observer is external to the group. In mystery shopping, the observer is cast as a non-participant observer, making it possible to objectively assess the service experience as a customer. This method gives insight into both the micro-level actions (e.g., customer services by staff to customer inquiries) and macro-level aspects (e.g., shelf layout and world customer experience) (Patton, 2002).

Douglas (2015) describes a step-by-step mystery shopping procedure for quantitative and unbiased measuring of service quality. Fig 3 simplify these steps to 7. It begins with defining specific goals, such as the metrics of the specific customer service characteristics. These objectives guide the entire evaluation process so that data collection is ever relevant. Strict evaluation criteria, typically in the form of lengthy questionnaires or checklists, are developed to assess quantifiable items like employee greetings, product knowledge, and cleanliness of the store. Mystery shopper recruitment and training enable shoppers to act like typical customers and provide standard, unbiased feedback. Pilot testing is conducted before full-scale implementation to test evaluation measures. After the program starts, mystery shoppers visit according to a pre-scheduled routine in such a manner that they are nondetectable. They complete evaluation forms after each visit, and information gathered is analyzed for trends, good points, and bad points. Findings are then brought to the notice of the management and employees to guide training and enhance service performance (Douglas, 2015.)

**Step1: Establish Objectives**

Define what aspects of customer service will be evaluated.

**Step2: Develop Evaluation Criteria**

Create checklists/questionnaires with measurable indicators.

**Step3: Recruit and Train Mystery Shoppers**

Select suitable shoppers and provide training.

**Step4: Conduct Pilot Testing**

Test the process with a small sample to refine criteria.

**Step5: Implement Mystery Shopping Visits**

Assign shoppers to conduct anonymous visits.

**Step6:Collect and Analyze Data**

Shoppers submit reports; data is analyzed for trends.

**Step7: Provide Feedback&Implement Improvements**

Share results, train employees, and adjust policies.

Fig 2. Mystery Shopping Process Flowchart(Douglas's 2015)

Careful, systematic observation of customer service encounters through tools like mystery shopping allows firms to quantify some aspects of service quality in an official

manner. By comparing results from these observations, firms can identify important points in their service delivery, staff performance, and customer satisfaction. These results are useful for improving customer experience, staff training, and overall service strategies (Zeithaml et al, 1990.)

## **4 RESEARCH METHODS**

Wilson (2001) provides a qualitative research design that is methodical with observation and content analysis to examine service quality in retail environments. The author presents a multi-method design that looks at objective service acts and subjective customer experience and thereby allowing for a complete evaluation of service quality dimensions. According to Wilson, methodological triangulation boosts the validity of measuring service quality by securing complementary understanding: observation catches everyday patterns moving over a collection of contact with services, and mystery shopping catches single service contact's subjective experience. This research design is particularly valuable when it is used to study complex service phenomena in which both behavioral action and emotional reaction both play central roles in constructing customers' perception. The following subchapters explain the individual methodological components of this approach in more detail: qualitative research as the dominant paradigm, observation as the primary way of collecting data, and content analysis as the orderly procedure for organizing and interpreting collected data (Wilson's, 2001.)

### **4.1 Qualitative Research**

Creswell (2013) identifies qualitative research as a research approach that is interested in understanding the deeper meanings and experiences that underlie human behaviors. Unlike quantitative research, which seeks to quantify and measure variables, qualitative research delves into the why and how of social events, with emphasis on context and individual perception. Qualitative research has a tendency to employ tools like interviews, focus groups, and observations in gathering non-numerical data. This methodology is most valuable in exploring complex processes, experiences, and social behavior. In mystery shopping, qualitative research allows researchers to gain insight into consumers' individual experiences, such as how they emotionally react to service quality and what

they perceive about staff behavior and shop atmosphere. By using in-depth interviews with mystery shoppers or open-ended survey questions, researchers can gather rich, descriptive data that is more than simply numerical ratings. Qualitative research results can be analyzed using thematic analysis, where emerging patterns and themes are identified and interpreted (Creswell, 2013).

#### **4.1.1 Observation**

Observation is one of the principal qualitative research methods involving observing and documenting systematically behavior, actions, and events as they naturally occur in their natural contexts. Observation offers several benefits over other data-gathering methods, such as surveys and interviews, in that it enables researchers to acquire real-time data that accurately represents the natural activities of individuals without influencing their behavior. Observation is particularly valuable for observing behavior, interactions, and contexts which cannot be easily explained using participants' self-reporting or controlled tests. Observation is often applied in social sciences and service sectors to study people's interaction with their environment and other individuals (Robson, 2011.)

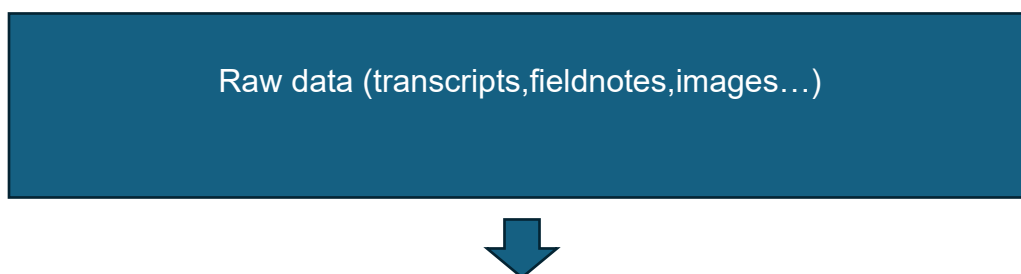
As observed by Robson (2011) observation within retail settings allows for the collection of qualitative and quantitative data that can give a better understanding of customer service interaction. Observation allows researchers to examine not only the technical skills of employees but also the emotional and psychological dimensions of the service, such as customer satisfaction and participation. For instance, a researcher observing a customer service interaction in a retail environment can note if the employee's response was timely, empathetic, and helpful as well as measurable factors like waiting time and inventory availability. Customer service observation is typically conducted in natural environments where customers are unaware that they are being watched. This ensures the data is genuine since customers react naturally without their knowledge that they are participating in a study (Robson, 2011.)

As noted by Berg (2009), naturalistic observation is particularly effective in observing real-life customer behavior and quality of service that may be lost through other methods such as interviews and surveys. One of the greatest advantages of customer service

observational studies is the ability to identify service loopholes and patterns of customer behavior influencing customer satisfaction. For instance, researchers can observe that long queues or unsatisfactory levels of staff interaction lead to unsatisfactory customer experiences. By identifying such loopholes, organizations can incorporate specific improvements into their service measures. Along with this, qualitative results can complement observational studies. Researchers can notice verbal and non-verbal cues between employees and customers, and rich data can be collected from them, which is of great use in identifying the extent of quality service provided. This integration of both observational results and customer ratings along with employees' results proves to be more inclusive in interpreting the service experience. For effective application of observation in customer service research, there should be careful planning of methodology. Researchers must identify explicit measures of what and how to observe so that the data collected is actionable and meaningful. Proper ethical measures are also to be ensured so that customers and employees are not adversely affected by research (Berg, 2009.)

## **4.2 Content Analysis**

Content analysis is a qualitative research method used to analyze systematically and interpret textual, visual, or auditory information to reveal patterns, themes, or meaning. Content analysis is regularly utilized in research for the purpose of studying communications like written reports, media, or customer feedback. In customer care, content analysis helps firms in analyzing various types of customer-based information like ratings of service, satisfaction surveys, and mystery shopper reports. By categorizing and examining these texts, researchers can determine common themes same demonstrated in (Fig 2). Such as service quality, employee interactions, or improvement areas (Krippendorff, 2018.)



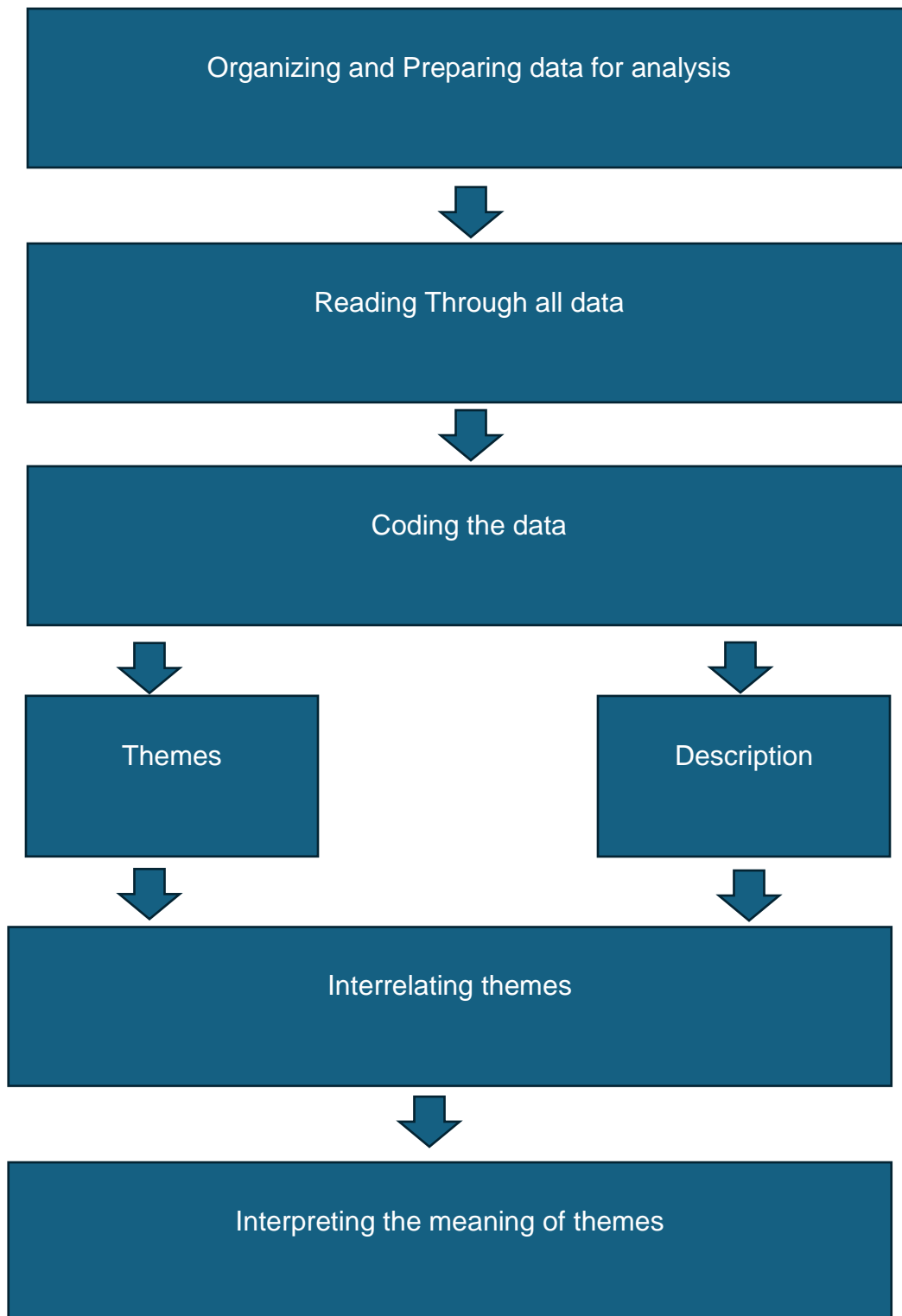


Figure 2. Data analysis in qualitative research (Creswell, 2013)

Krippendorff (2018) explain that for customer service content analysis is particularly useful in evaluating mystery shopping reports or customer feedback. Mystery shoppers typically provide written feedback on their experience, including the attitude of staff, efficiency of service, cleanliness of the store, and overall customer experience. Using content analysis, scientists can identify common patterns in such reports, i.e., recurring customer complaints or most complimented service aspects. For instance, if several reports indicate issues of unfriendliness of staff, this would be an area of potential improvement as illustrated in table 2. To use content analysis in customer service research effectively, the researcher first develops clear coding categories that are relevant to the areas of service being studied, such as staff conduct, product information, or environment. After data has been coded, patterns are analyzed to draw conclusions about the quality of service between locations or time. This enables firms to make sound decisions to improve levels of service and overall customer experience (Krippendorff, 2018.)

1 Get a sense of hole.
2 Pick the document, ask what is this about?, write thoughts in the margin.
3 Cluster together related topics and form it into columns
4 Abbreviate topics as odes and check if new categories and codes emerge.
5 Turn the most descriptive wording for the topics into categories, draw lines between it to show interrelationships.
6 Make final decision on the abbreviation for each category and alphabetize these codes.
7 Assemble the data material belonging to each category in one place, perform a preliminary analysis.
8 Recode your existing data.

Table 2. Steps in the coding process research (Krippendorff, 2018)

Wilson (2001) describes a systematic content analysis process in the form of several interconnected steps. The author describes initial coding as the first step where researchers systematically code data in terms of relevant dimensions or frameworks, either using established theoretical frameworks like SERVQUAL for service quality or developing inductive coding schemes from the data itself. Following this, pattern recognition is a case of recognizing repeating themes or prominent features within each of the coding themes, where researchers recognize certain behaviors, comments, or features to occur repeatedly within the data. At the quality assessment stage, researchers take these identified patterns, often sorting them out into positive and negative feedback based on the research question, with Wilson (2001) emphasizing that the same evaluation criteria must be used throughout this exercise. Response analysis is the study of how objects react to the discovered patterns, which is particularly useful in studying interactive phenomena such as service encounters (Wilson's, 2001.)

Response analysis includes emotional response analysis, which, according to Caruelle et al's (2023) traces the evolution of customer emotions throughout service encounters. This technique visualizes emotional trajectories to identify emotional peaks, valleys, and transitions during service interactions, recognizing that service experiences are dynamic emotional journeys rather than static evaluations (Caruelle et al's, 2023.)

Finally, cross-context pattern recognition allows researchers to seize similarities and differences across different contexts, situations, or cases of the study in order to build a comprehensive picture of the phenomenon under investigation. Wilson (2001) finds that this systematic method allows strict examination of qualitative data in several contexts without compromising on consistency in analysis. The author also notes that while these stages are presented in a linear manner, content analysis is typically an iterative procedure with researchers oscillating between stages as new data emerges (Wilson's, 2001.)

Following Caruelle et al's (2023) approach to emotional response mapping, content analysis can be extended to trace customer emotional journeys throughout service encounters, identifying emotional shifts and their triggers. This emotional dimension

recognizes that service quality is experienced not only cognitively but also emotionally (Caruelle et al's, 2023.)

Credibility of content analysis is a top priority issue in Wilson's (2001) method. The author proposes several avenues to achieve maximum credibility, for example, using multiple coders to attain inter-rater reliability, maintaining comprehensive records of the analysis process, and triangulating findings with other sources or means of data (Wilson's, 2001.)

Mystery shopping enables frontline service encounter experiential understandings firsthand, while structured observation enables a controlled platform to examine customer service conduct under naturalistic settings. Using methodological triangulation, this research enhances the validity and reliability of its findings (Parasuraman, Zeithaml, & Berry, 1988.)

## **5 RESEARCH MATERIAL AND ANALYSIS**

This part outlines specifying the research material and methodology applied to quantify customer service quality in selected retail stores. The study is founded on a qualitative, multi-method design with the employment of mystery shopping and structured observation as key data collection strategies. These methods are adequately documented for their ability to impose both the objective and subjective components of service quality, enabling the feasibility of comprehensive measurement of the customer interactions (Wilson, 2001.)

### **5.1 Overview of Research Materials**

The current research employed qualitative research methods to study customer service quality in retail shops at Valkea Shopping Center in Oulu, Finland. Adopting the plan outlined by Wilson (2001), a multi-method design was employed to capture both objective service acts and subjective customer experiences to evaluate service quality dimensions in totality. The research data consists of data collected through two complementary methodological approaches:

Mystery shopping was conducted in three retail stores (Normal, Sokos, and Jack & Jones) were examined by mystery shopping, where I played the role of a typical customer to experience the service quality from a personal perspective.

In order to prepare for every visit, I developed a scenario to role-play a real customer experience. The scenarios were designed to avoid over-detailing so there would be a natural flow of the interaction, which made the experience more realistic. Before conducting the real research, I conducted several pilot tests in a few stores. The pilot visits were not included in the final analysis as they were unsuccessful due to their short duration and limited staff contact. The visits did not provide significant interaction, leaving insufficient data to evaluate. Hence, I redesigned my approach, with longer visits and a more meaningful interaction with staff. Each visit lasted approximately 20–30 minutes, depending on the level of interaction and service activities involved. The mystery shopping data collected focused on qualitative aspects only, including emotional responses, staff behavior, product knowledge, and personalization of service.

Mystery shopping visits were performed during different times of the week to reflect a variety of customer service situations. After each visit, I immediately took detailed notes on paper, using a rating system (★★★☆☆) to classify the quality of the service delivered to me. I also recorded most of the dialogue from the interaction on my phone and made additional notes on paper to analyze later when I returned home.

Observation was carried out in two stores (Instrumentarium and Coffee House) were examined by non-participant observation, where I observed a number of service interactions in a structured manner without being a part of it. The visits were carefully planned to be as close to the clients and sales staff as possible, with a focus on listening to their conversations and observing their body language. While it was challenging for me due to my limited understanding of Finnish, I was able to succeed. Throughout the visit, I kept my phone with me, taking immediate notes either by voice recording or writing in my notebook. I aimed to capture the most significant observations, especially those with more interactions, focusing on the qualitative data I gathered during the mystery shopping experience.

These methodological approaches were selected because they have been shown to effectively measure service quality in retail environments. This methodological triangulation, according to Wilson (2001), enhances the validity of service quality measurement by recording both the subjective nature of a single service experience and patterns across several interactions.

## **5.2 Mystery Shopping Findings**

### **5.2.1 Normal Store**

NORMAL store offers everyday essentials like skincare, haircare, and cleaning products at fixed low prices, emphasizing simplicity and affordability.

The Normal mystery shopping experience showed significant service quality issues across a number of dimensions. The scenario was to seek assistance in locating a skincare product for sensitive skin, providing the opportunity to assess staff knowledge, responsiveness, and customer orientation.

#### **Staff Behavior and Responsiveness**

Staff did not proactively greet customers entering the store or standing around with a clear need for assistance. When specifically approached, the response was brief and begrudging:

"Yes, they're in the skincare section." (Points in the direction without moving from position)

This brief, minimalist response with no offer to personally introduce products created a feeling of rejection and disappointment. The wait for service (7+ minutes) with visible staff members demonstrated a lack of responsiveness, contrary to Kamin's (2010) emphasis on timely response as a basis for trust and loyalty.

#### **Product Knowledge**

Staff demonstrated limited product knowledge when asked for product suggestions for sensitive skin. When questioned about ingredients, the associate admitted:

"I don't really know the specific ingredients. We just sell a lot of these. If you want more details, you can read the label."

This information and confidence gap undermined trust in the advice provided, and it was uncertain whether the advice itself was accurate. As Stevens (2010) recognizes, detailed product knowledge is necessary to troubleshoot effectively and provide accurate information.

#### Personalization

The experience was transactional rather than customer-focused, with no attempt being made to personalize the service experience or to ascertain individual skincare requirements at more than a very superficial level. This contradicts the view of Kamin (2010) that customers feel special because personalization is tailored to their desires and needs.

#### Emotional Response Analysis

The emotional experience progressed from neutrality at the start, to disappointment at not receiving a greeting, to growing frustration with continued browsing and no assistance. When contact was eventually made, fleeting hope was rapidly followed by disappointment with the minimal response. As Mattila and Enz (2002) note, such emotional responses can be more powerful predictors of customer loyalty than cognitive measures of satisfaction alone.

### **5.2.2 Sokos Department Store**

Sokos is a versatile department store featuring a high-quality cosmetics department on the first floor, women's fashion and undergarments on the second floor, and men's and children's fashion, along with a comprehensive home department on the third floor. Mystery shopping experience in Sokos reflected exemplary customer service quality across all dimensions. The scenario was to seek assistance in the selection of a fragrance for gifting to test staff approachability, product knowledge, and personalized service.

#### Staff Behavior and Responsiveness

Prompt acknowledgment at entry to the store reflected exemplary responsiveness:

"Good afternoon. Welcome to Sokos. Do you need something specific today, or just looking around?"

This friendly, warm greeting created a positive impression immediately. Throughout the interaction, the associate remained attentive and quick to address questions and requirements, and the service phases unfolded with seamless transitions. This corroborates Stevens' (2010) insistence on effective communication as one of the determinants of delivering excellent customer service.

### Product Knowledge

The associate exhibited in-depth knowledge of the products, responding confidently regarding fragrance compositions and development trends:

"This first one here has citrus and light floral notes with a hint of green tea. It's so crisp and perfect for everyday wear. This second one is a little more sophisticated with bergamot and light jasmine and perfect for day or evening."

This product knowledge in detail, combined with professional demeanor, generated trust in the recommendations. As Stevens (2010) indicates, detailed knowledge of products is necessary to provide correct information and solve issues effectively.

### Personalization

The associate was very interested in finding out individual needs rather than pushing a one-size-fits-all sales approach:

"Could you tell me a little about your sister? Perhaps what kind of scents she normally likes, or if she already has any favorites?"

This thoughtful approach tried to figure out the recipient's interests rather than simply indicating trendy or promoted items, creating a feeling of individualized service and care.

This validates Kamin's (2010) argument that personalization makes customers feel special since it is aligned with their desires and needs.

### Emotional Response Analysis

The emotional journey followed an upward trend, beginning with relief and comfort thanks to the prompt greeting, developing into appreciation and trust through thoughtful questioning of needs, confidence and satisfaction thanks to extensive product knowledge, and culminating in appreciation owing to the personalized farewell. As Caruelle et al. (2023) suggest, these emotional journeys have a significant impact on overall service perception.

#### **5.2.3 Jack & Jones**

Jack & Jones is a European men's fashion brand offering stylish clothing, footwear, and accessories in categories such as PREMIUM, CORE, and ORIGINAL.

The Jack & Jones mystery shopping experience revealed inconsistent levels of service. The scenario was to seek assistance in selecting a casual outfit for a social event, with the opportunity to assess staff approachability, product knowledge, and styling guidance.

#### Staff Behavior and Responsiveness

No staff member greeted the customer at door, and after obvious browsing for some time, there was no assistance offered. When the customer did finally interact, the initial response was lackluster:

"Sure, what style are you looking for?" [Standing behind the counter rather than coming over to assist immediately].

This reactive rather than proactive customer service approach created a negative initial impression, though responsiveness was far more positive once contact was established. This failure to initially acknowledge is contrary to Kamin's (2010) explanation of the importance of timely response in building trust and loyalty.

## Product Knowledge

The associate demonstrated good product knowledge regarding fits, styles, and putting an outfit together:

"Considering your body type and the jeans you have chosen, I would recommend our slim-fit Oxford shirts. They would be appropriate for both casual and smart-casual settings."

These confident recommendations and explanations of why certain pieces would go well together instilled confidence in making shopping decisions. Stevens (2010) says that it takes extensive product knowledge to provide accurate information and solve problems successfully.

## Personalization

Later in the interaction, the associate was more empathetic by considering physical attributes, the specific social context of the purchase, and matters of versatility:

"That's a good point. The pattern is subtle enough that you can pair it with different jeans or chinos you might already own. It also works with or without a jacket, so you get more versatility than you might think."

This honest assessment, which took into account the value of both options rather than simply pushing the more expensive option, built trust and demonstrated that customer satisfaction was indeed a priority. This confirms Kamin's (2010) opinion that personalization gives customers the sense of being special by being sensitive to their needs and wants.

## Emotional Response Analysis

The affective experience began with frustration at a lack of greeting, building to moderate annoyance at extensive browsing without assistance. As the associate demonstrated product knowledge and personalized suggestions, reserved interaction built to growing appreciation. Genuine feedback and balanced direction on product options built trust and

confidence in the suggestions, resulting in overall satisfaction despite the bumpy beginning. As Caruelle et al (2023) note, these affective responses are significant contributors to overall service perception.

## **5.3 Observation Findings**

### **5.3.1 Instrumentarium**

Instrumentarium provides comprehensive eye care services, including optician consultations and a wide selection of eyewear, catering to individual vision needs.

The structured observation of Instrumentarium revealed general high service quality with particular strengths in product knowledge and professionalism.

#### Physical Environment

The space was well-organized with defined customer movement flows and logical product grouping. Staff appearance was professional throughout with appropriate attire that inspired confidence. As Berg (2009) notes, these physical environment elements contribute importantly to general service perception.

#### Staff Behavior and Responsiveness

Prompt recognition of customers was the norm, with the majority of customers being acknowledged within 30 seconds of arrival. During a period of high activity, responsiveness fell slightly with a customer waiting longer to be recognized. Staff answered customer questions and requests attentively once engaged, but the detail of response varied between staff. This confirms Robson's (2011) assertion that customer service observation allows researchers to see technical skills but also emotional elements of service.

#### Product Knowledge

The employees demonstrated excellent product knowledge and professional expertise that generated customer trust. The Optician was particularly adept at communicating

technical information in a user-friendly manner. This coupling of technical accuracy with user-friendliness helped customer understanding without condescension. As Stevens (2010) notes, extensive knowledge of products is needed to provide accurate information and solve problems effectively.

#### Personalization

The Optician and Sales Associate 1 were both highly empathetic through personalized service and recommendations tailored to individual needs. Kamin's (2010) argument that customers are made to feel special through personalization being responsive to their needs and preferences.

#### Emotional Response Patterns

Positive affective cues from the customers included increased conversation engagement as interactions persisted, smiling and nodding while answering information or recommendations, and open posture that developed throughout longer interactions. Negative cues included looking at watches during system delays and brief frowns upon initially hearing pricing information. As Caruelle et al (2023) note, these affective responses have a significant impact on general service perception.

### **5.3.2 Coffee House (Café)**

Coffee House is a cozy café offering freshly brewed coffee, snacks, and light meals, providing a comfortable place to relax during shopping or meet friends.

The systematic observation of Coffee House revealed high quality of service in all the dimensions, with responsiveness and personalization being the most prominent ones.

#### Physical Environment

The physical environment was well appointed with comfortable seating areas, appropriate lighting, and a clean, contemporary appearance. Staff presentation was professional and uniform with clear branding. Presentation of product was attractive, with the only minor detraction some delayed clearing of tables at the busiest period. As Berg (2009) suggests,

these physical environment attributes contribute significantly to general service perception.

### Staff Behavior and Responsiveness

Responsiveness of staff was very good throughout the observation period. Greetings were prompt, cues for service were taken quickly, and staff adjusted their pace appropriately at busy times without compromising the quality of service. The manner in which a rush order was expedited indicated good responsiveness to an individual customer's needs. This supports the observation by Kamin (2010) that timely responses are key to building trust and loyalty.

### Product Knowledge

Employees demonstrated good product knowledge, describing menu items with confidence and making appropriate recommendations. Standardized preparation processes and quality checks assisted in providing product consistency that assured customer confidence. Assurance was also increased by the professional handling of a service recovery situation through demonstrating a commitment to quality. As Stevens (2010) points out, in-depth knowledge of products is necessary in order to provide accurate information and troubleshoot effectively.

### Personalization

This element was particularly strong, with staff demonstrating ongoing awareness of and adaptation to the requirements of individual patrons. The personal recognition of return patrons created a sense of belonging, and the courteous handling of the issue with a beverage indicated genuine concern for customer satisfaction. This supports Kamin's (2010) argument that personalization makes customers feel special by being attuned to their requirements and preferences.

### Emotional Response Patterns

Visible affective cues from the customer included smiling and relaxed expressions during the interaction, interested body language, verbal thanks, and revisit during the

observation period. Negative cues were minimal, confined to a passing frown when given the incorrect order and momentary expressions of impatience during the busiest moment. As Caruelle et al. (2023) suggest, these emotional routes have a strong impact on overall service perception.

#### **5.4 Comparative Analysis Between Establishments**

##### Responsiveness and Behavior of Staff

There was significant difference in the responsiveness and behavior of staff across the five companies. Coffee House and Sokos both exhibited high responsiveness with immediate recognition and attentive contact throughout interaction with customers. Instrumentarium displayed good responsiveness with some variation when busy. Jack & Jones had very poor initial responsiveness but improved significantly once contact was established. Normal had very poor responsiveness with delayed recognition and very little interaction.

This range of responsiveness aligns with the assertion by Kamin (2010) that timely responses generate loyalty and trust, and that waiting erodes customer trust. The hotels that ranked highest in overall service quality (Sokos and Coffee House) were also the most consistent in responsiveness, which suggests that this dimension may be particularly decisive in overall service perception.

##### Product Knowledge

Product knowledge varied significantly across establishments. Sokos and Instrumentarium had excellent product knowledge, with staff providing detailed, accurate information that generated customer trust. Jack & Jones had good product knowledge once engagement was established, particularly regarding fit, styling, and putting an outfit together. Coffee House had good product knowledge regarding menu items and how they were prepared. Normal had the worst product knowledge, with staff unable to provide detailed information about products or make confident recommendations.

This variation in product knowledge aligns with Stevens' (2010) contention of the importance of in-depth knowledge of products in providing correct information and solving problems effectively. The organizations where product knowledge was highest (Sokos and Instrumentarium) were also those where the products required more specialized knowledge, suggesting that this aspect may be particularly important in settings where customers rely to a large degree on employee expertise.

### Personalization

Attempts at personalization also varied across establishments. Sokos showcased excellent personalization, with staff asking about preferences considerately and recommending accordingly. Coffee House showcased good personalization, particularly in recognizing repeat customers and tailoring service according to individual needs. Jack & Jones showcased developing personalization during interactions, considering individual traits and particular contexts. Instrumentarium showcased varying personalization depending on the staff member, with some showing high empathy and others a more transactional approach. Normal had minimal personalization, with service remaining transactional rather than customer-focused.

This set of personalization lends support to Kamin's (2010) description that personalization makes the customer feel special because it is attuned to the customer's needs and preferences. The hotels with the highest overall service quality (Sokos and Coffee House) were also those with the most consistent personalization, which suggests that this dimension may be particularly potent in building positive emotional responses.

### Emotional Response Patterns

Unique emotional response patterns were observed in the five companies. Sokos and Coffee House consistently designed positive emotional trajectories, beginning with relief and comfort through instant recognition and escalating to appreciation and satisfaction via personalized service. Jack & Jones demonstrated an emotional recovery pattern, beginning with frustration and disappointment but evolving into appreciation and satisfaction as service quality improved. Instrumentarium showed predominantly positive

emotional responses with some variation depending on the staff member. Normal prompted predominantly negative emotional responses, beginning from neutrality but deteriorating towards disappointment and frustration through bad quality of service.

These emotional response patterns confirm Mattila and Enz's (2002) argument that emotional responses can be more predictive of customer loyalty than cognitive satisfaction measures alone. Those institutions which garnered the most positive emotional responses (Sokos and Coffee House) were also those which had the highest overall service quality, suggesting that emotional response can be one effective measure of service efficacy.

## **5.5 Key Findings Summary**

The results of research material analysis were as follows in regard to customer service quality in Valkea Center retail stores:

**Service Quality Variation:** Service quality has a wide range among retail stores within the same shopping mall, which ranges from poor (Normal) to very good (Sokos, Coffee House).

**Responsiveness Effect:** Initial responsiveness, in particular immediate acknowledgment on store entry, appears to set the emotional tone for the entire service experience. Retailers low in initial responsiveness (Normal, originally Jack & Jones) could not fully recover despite subsequent service improvement.

**Product Knowledge Importance:** Strong product knowledge appears particularly important in product surroundings that require specialized knowledge (Sokos, Instrumentarium). But even in surroundings with less complex products, confident product knowledge enhances customer satisfaction and confidence.

**Personalization Value:** Personalized service with interest in customer requirements creates particularly positive emotional responses. This was discovered across all retail segments but appeared to work especially well in contexts with higher customer involvement (Sokos, Jack & Jones).

Emotional Response Patterns: Clear patterns of emotional response emerged, with service quality generating distinctive emotional trajectories that strongly influenced general service perception. As Caruelle et al (2023) suggest, such emotional responses may be more predictive of customer loyalty than cognitive satisfaction measures.

## **6 RESULTS AND DISCUSSION**

This section outlines the main findings of the research and provides an in-depth analysis of their significance. The results are interpreted in the context of existing literature and are critically examined through the lens of customer service practices observed at Valkea Shopping Center.

### **6.1 Key Findings**

Customer service quality study in retail outlets within Valkea Shopping Center revealed some significant findings which enhance our knowledge regarding service delivery in contemporary retail environments. Such findings are put into two principal categories: service quality variation emotional response patterns.

#### **6.1.1 Service Quality Variation**

The study of customer service quality in retail stores at Valkea Shopping Center revealed several significant findings that enable us to comprehend service delivery in contemporary retail environments. The findings are condensed into two broad categories: differences in service quality, emotional response patterns.

Sokos and Coffee House demonstrated consistently strong service quality in every aspect, with particular strength in responsiveness and personalization. As Stevens (2010) proposes, such areas are fundamental to delivering superb customer service, bringing clarity and professionalism to managing interactions. Such consistent excellence on display in such places suggests systematic rather than personal staff excellence based on service delivery, which suggests good training and service management systems. Instrumentarium delivered overall high service quality with some difference among staff, particularly in the personalization dimension. This difference suggests that while the

service standards are generally high, the training and nature of individual staff can influence consistency in service. According to Kamin (2010) consistency guarantees that customers get the same good experience regardless of the staff they encounter, building trust and minimizing customer frustration. Jack & Jones portrayed variable service quality with low initial responsiveness but elevated improvement after contact has been made. This direction suggests potential flaws in service scripts with regard to customer recognition but elevated capabilities regarding product knowledge and customization after interaction has been achieved. Normal demonstrated consistently poor quality of service in every aspect, with certain aspects of weakness being responsiveness and product knowledge.

### **6.1.2 Emotional Response Patterns**

There were clear emotional response patterns documented across the five facilities, as Mattila and Enz (2002) would expect, that emotional responses will be a more powerful predictor of loyalty than cognitive satisfaction measures alone. Positive emotional trajectories typically began with relief and comfort from instant recognition, followed by appreciation of thoughtful service and product expertise, and concluded with satisfaction and trust through personalized recommendations and last interactions. This pattern was most pronounced in Sokos and Coffee House, where service quality was high on all fronts everywhere. Emotional recovery patterns were observed in Jack & Jones, where negative emotions (disappointment, frustration) initially gave way to positive emotions (appreciation, satisfaction) as service quality improved over the course of interaction. This pattern suggests that while initial impressions matter, subsequent service quality can to some extent redeem poor beginnings. Negative emotional paths generally started with neutrality, developed into disappointment and frustration through inadequate responsiveness and product knowledge, and ended in dissatisfaction and disengagement. This pattern was most pronounced in Normal, where service quality was uniformly poor on all fronts. These patterns of emotional response are in accord with Caruelle et al.'s (2023) emotional response mapping technique, tracing the emotional trajectory of customers through service interactions, charting changes in emotions and their causes. The findings confirm that service quality generates distinctive emotional

trajectories that significantly influence generalized service perception and virtually necessarily motivate future patronage selection.

## **6.2 Relevance of SERVQUAL Dimensions**

The findings validate in broad terms the use of the SERVQUAL dimensions (tangibles, reliability, responsiveness, assurance, empathy) established by Parasuraman, Zeithaml, and Berry (1988) in retail environments today. However, the studies suggest that, comparatively speaking, the relative significance of the dimensions is most likely to vary across retail categories and service environments. Responsiveness was the most universally important factor in all types of retailing, highlighting its central position within the SERVQUAL framework. The prompt identification of customers and prompt service always had an influence on first-time service perception and set the emotional tone for subsequent interactions. This is consistent with Kamin's (2010) contention that timely responses have a central role in building trust and loyalty. Assurance (or product knowledge) appeared to be especially crucial in the case of products with specialized knowledge needed (Sokos, Instrumentarium) but less in the case of more standardized products (Coffee House, Normal). This may suggest that the complexity of the product and customer knowledge act as moderators for the role of assurance. Empathy (particularly personalization) appeared especially crucial in scenarios with higher customer involvement and emotional attachment (Sokos, Jack & Jones), but not so much in more transactional contexts (Coffee House, Normal). This suggests that the importance of empathy may be contingent on the nature of the customer-product relationship. These findings confirm that while the SERVQUAL dimensions remain valid for service quality comprehension, their relative importance might vary by retail category, product characteristics, and customer expectations. This supports a contingency approach to service quality in recognition of the need for category-specific service strategy rather than an across-the-board approach.

### **6.2.2 Emotional Service Theory**

Results thus strongly substantiate the nascent theoretical formulation involving the affect component of service experience, defined as such by Mattila and Enz (2002) and Caruelle

et al. (2023). The unequivocal emotional trends remarked upon throughout service encounters prove service quality is both cognitively and experienced emotively, where identifiable emotional responses are formed by different amounts of service quality. The emotional recovery trend observed in Jack & Jones is highly interesting from a theoretical perspective, suggesting that while early emotional responses matter, they may not always be indicative of the general emotional trajectory. This supports an active but non-static understanding of service emotions in line with Caruelle et al.'s (2023) emphasis on emotional arousal as an active aspect of customer experience. The study also identifies possible emotional contagion effects, in that staff emotional displays (enthusiasm, indifference) were observed to influence customer emotional reactions. This was most evident in Coffee House, where staff enthusiasm seemed to elicit equivalent positive emotional reactions from customers. This confirms theoretical explanations of emotional contagion in service interactions and suggests that staff emotional management may be a crucial element of service quality. These findings expand emotional service theory by demonstrating the dynamic nature of emotional responses throughout service encounters and the necessity of understanding emotional trajectories rather than assessing static emotional states. This has significant implications for the measurement and management of service, suggesting a need for measures that capture the dynamic emotional dimension of service experience.

### **6.3 Practical Implications**

The findings of this research have several important practical implications for retail managers, shopping center management, and service staff.

#### **6.3.1 Implications for Retail Managers**

For retail managers, the findings highlight the importance of constructing category-relevant service strategies that are sensitive to both overall service fundamentals and category-specific expectations. Several specific implications follow: Service Protocol Design: The sheer requirement of first-time recognition means that customer greeting and recognition service protocols must be created and enforced by retail managers. Staff Training Focus: The results show that staff training should focus on both universal service

competencies (acknowledgment, responsiveness) and category-specific competencies (product knowledge in specialty retailing, personalization in fashion retailing). The heterogeneity of service quality among members of staff in some stores (particularly Instrumentarium) reveals a need for more standardized training and performance control. Service Recovery Preparation: The importance of strong service recovery indicates retail managers must ensure that certain procedures and training are established for service failure handling. As demonstrated at Coffee House, effective service recovery can convert negative experiences into positive ones by acknowledging immediately, apologizing sincerely, and correcting promptly. Preparing employees for these scenarios could be a significant contributor to overall service perception. Emotional Management: The emotional quality of service encounters means that retail managers have to make emotional management a central aspect of service delivery. Mattila and Enz (2002) argue that emotional responses may be stronger predictors of customer loyalty than isolated cognitive satisfaction ratings. Training employees to recognize and respond to customer emotional cues correctly would enhance service efficiency. These practical implications mean that retail managers must search beyond broad service prescriptions to develop category-specific service strategies that balance both universal principles of service and the specific expectations of their clientele.

I intend to share my thesis with the three store managers whose shops I visited during my research. They have expressed interest and are eager to review the findings.

### **6.3.2 Shopping Center Management Implications**

For shopping center management, the significant disparity in service quality observed between retail venues suggests a series of important implications.

#### **Service Standards Development**

Center management ought to consider developing center-wide service standards that establish a minimum level of customer acknowledgment, responsiveness, and basic service behavior expectations. Although allowing category-specific service styles, these

standards might help ensure a consistently positive customer experience throughout the center.

### Cross-Training Opportunities

The differential strengths observed among the retail stores point towards potential benefits through cross-training opportunities where workers from various stores would learn from each other's service styles. For example, workers from stores where product knowledge was stronger (Sokos, Instrumentarium) would share expertise with workers from stores where this parameter was lacking (Normal).

### Service Monitoring and Feedback

The study suggests the advantage of regular service monitoring and feedback processes in identifying the strengths and weaknesses of the shopping center. Corresponding mystery shopping programs such as the program used in the study would be useful to retail store personnel and the shopping center management.

### Tenant Selection and Support

The persistent service excellence observed at some facilities (Sokos, Coffee House) in contrast to the persistent service failure at others (Normal) reflect that service quality must be considered during tenant selection and retention. Service training facilities can also be provided by shopping center management to tenants to help maintain consistent service quality at the center. These implications suggest that shopping center management need to be more proactive in establishing and maintaining service standards across all retail units in order to deliver a consistently good level of customer experience across the center.

I contacted the manager of the shopping center via email; however, I did not receive a response. In the future, I plan to approach her in person to present my thesis, with the intention of contributing to the improvement of customer service at Valkea Shopping Center.

## **6.4 Limitations and Future Research**

Although the above research offers considerable insight into customer service quality in retail stores in Valkea Shopping Center, there are a number of limitations that must be noted.

### **6.4.1 Methodological Limitations**

The qualitative research design, while providing rich data regarding service experiences, limits the generalizability of findings to other retail settings. The small sample of retail stores (five) and number of observed service interactions may not represent the full range of service variation within the shopping center. The observation and mystery shopping approaches, while providing valuable first-person service experience information, are inherently subjective and can be influenced by researcher expectations and biases. Wilson (2001) finds that, while they allow systematic testing of qualitative data, they have to involve subjective interpretation. The cross-sectional design of the study provides a snap shot of the quality of service at a point in time but not variations in service quality across various times, seasons, or combinations of staffing. Service quality may be influenced by time, day, season, or staffing patterns.

### **6.4.2 Contextual Limitations**

The research focused on only retailing locations at Valkea Shopping Center in Oulu, Finland, limiting findings to applicability in other retailing situations, geographic locations, or cultural settings. Service norms and expectations are apt to be widely dissimilar between cultural settings. The research was conducted within a short period of time and might not reflect service quality during peak shopping periods (e.g., holiday season) or unforeseen circumstances that might affect the delivery of service. Service quality at such periods might be dramatically different from what this study reported. The research gave greater emphasis to the customer side and did not take into account organizational dimensions (e.g., management practices, training schemes, reward systems) that may impact service quality. Awareness of such organizational dimensions would provide a greater understanding of the determinants of service quality.

### **6.4.3 Directions for Future Research**

There are several promising areas for future research emerging from this study. Longitudinal Service Quality Measurement study design can be employed in the future to investigate how service quality evolves over time, particularly as a response to training interventions or management initiatives. This would provide information on the dependability of service quality and the effects of improvement measures.

Future research might explore how different cultural settings reflect varying service expectations and perceptions that provide insights on cultural specificity or universality of service quality dimensions. This will be particularly beneficial to retail companies that have diverse cultural settings where they operate.

Future research could investigate organizational determinants (training programs, reward systems, management practices) influencing service quality, highlighting ways retail organizations can enhance service delivery in a structured way. This would complement the customer-oriented strategy of the current study. Technology Integration in Service Provision: Future studies may investigate the impact of technology integration (for example, mobile applications, automated kiosks, augmented reality) on customer service requirements and experiences in retail settings. With technology influencing retail experiences more than ever, it becomes vital to understand its effects on service quality.

Given the importance of service recovery moments from this study, subsequent research might look specifically into the effectiveness of some of these service recovery practices that are actually being employed within retail environments. Such would be a valuable input to retail managers when developing service recovery procedures. These subsequent research areas would bring further implications from this study to the development of an even fuller understanding of customer service quality in contemporary retail environments.

## 6.5 Conclusion

This research experimented on Valkea Shopping Center retail shop customer service quality with mystery shopping and structured observation techniques. Findings indicated significant variation in service quality between retail stores, some of which had consistently good service (Sokos, Coffee House) and others consistently poor service (Normal). Various critical service moments in the past were identified, including initial recognition, product suggestion, service recovery, and closing interaction, which appeared to have disproportionate effect on the overall service perception. Distinct emotional response patterns were found, confirming the importance of the emotional component of service experiences. Category-specific expectations for service emerged, suggesting that while certain service fundamentals (acknowledgment, responsiveness) are universally important across any retail category, other aspects of service potentially may be varied in importance by retail category. These findings have strong theoretical value for the understanding of service quality in retail environments, which requires interdisciplinary service models capturing emotional qualities, critical service moments, and category-specific expectations. Implications for practice suggest the need to develop category-behaviorally aligned service strategies, adopt shopping center-wide service standards, and enhance service staff's sensitivity to both functional and affective dimensions of service. In appreciation of methodological and contextual limitations, this research deepens understanding of customer service quality in contemporary retail settings and establishes a foundation for future research within the important domain. As retail environments continue to be defined by the imperatives of a shifting consumer landscape and technological advances, it continues to be essential to an understanding of what succeeds in effective customer service and why. The findings of this research confirm Devlin's (2015) argument that customer service is more than satisfying a customer's bare minimum, it is creating an experience greater than their expectations that leaves them with a positive image of the business. The retail companies that followed this practice (Sokos, Coffee House) created distinctly positive customer experiences that most likely result in long-term loyalty and good word-of-mouth. Conversely, those that failed to meet even minimum levels of service expectation (Normal) delivered negative

experiences that most likely undermine customer loyalty and generate negative word of mouth.

In brief, this research displays that customer service quality remains a key differentiator within retail environments, with significant variation present even within the same mall. Understanding and addressing both the generic and category-specific components of service quality is a key retail opportunity for organizations seeking to enhance customer experience and competitiveness in contemporary retail environments.

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