Roosa Siitonen

Customer Satisfaction Survey for Company X

Thesis 2018
Abstract
Roosa Siitonen
Customer Satisfaction Survey for Company X, 70 pages, 2 appendices
Saimaa University of Applied Sciences
Faculty of Business Administration, Lappeenranta
International Business
Thesis 2018
Instructor: Ms Tuuli Mirola, Principal Lecturer, Saimaa University of Applied Sciences

The purpose of this thesis was to perform a customer satisfaction survey for Company X. The objective was to find out how to improve the customer satisfaction of Company X and the current satisfaction level. The aim of this study was also to find out more about customer satisfaction and the factors influencing it.

Data for this study was collected through a paper survey and the research was carried out as quantitative research. The study was carried out by handing the survey questionnaires for the customers of Company X. All in all there were 96 participants in this study. The respondents were presented with statements and questions about the service encounter. The theoretical part of the study is conducted by looking into the concepts of customer satisfaction and service quality.

Based on the findings, it can be noted that the overall customer satisfaction level in the Company X is good. Majority of the participants were satisfied with the service encounters and they are likely to revisit the store again as customers. Some suggestion points regarding coziness of the store and opening hours were made.

Keywords: customer, customer satisfaction, service, service quality
Table of contents

1 Introduction .................................................................................................................. 5
2 Objectives of the thesis ................................................................................................. 6
   2.1 Research question ............................................................................................... 6
   2.2 Delimitations ....................................................................................................... 6
   2.3 Thesis structure .................................................................................................... 7
3 Company X .................................................................................................................... 8
4 Customer ....................................................................................................................... 8
5 Customer satisfaction ................................................................................................... 10
   5.1 Customer expectations ...................................................................................... 10
      5.1.1 Desired service level .................................................................................. 11
      5.1.2 Adequate service level .............................................................................. 12
      5.1.3 Predicted service expectations ................................................................ 13
   5.2 Zone of tolerance ............................................................................................... 13
   5.3 Factors influencing customer satisfaction ......................................................... 14
      5.3.1 Price ......................................................................................................... 15
      5.3.2 Product ..................................................................................................... 16
6 Service ........................................................................................................................ 16
   6.1 Service production process ............................................................................... 17
      6.1.1 Customer resources .................................................................................. 17
      6.1.2 Contact resources ..................................................................................... 18
      6.1.3 Physical resources ..................................................................................... 18
   6.2 Service package ................................................................................................. 18
7 Service quality ............................................................................................................ 19
   7.1 Experienced quality ............................................................................................ 20
   7.2 Total experienced quality .................................................................................. 22
   7.3 Moments of truth ............................................................................................... 24
   7.4 Service quality dimensions ............................................................................... 25
8 Research method .......................................................................................................... 27
   8.1 Question formation ............................................................................................. 29
   8.2 Net Promoter Score ............................................................................................. 30
9 Research results ........................................................................................................... 31
   9.1 Background information ..................................................................................... 32
   9.2 Service process .................................................................................................... 34
      9.2.1 Greeting ...................................................................................................... 34
      9.2.2 Product availability .................................................................................... 36
      9.2.3 Correct order .............................................................................................. 37
   9.3 Statements ......................................................................................................... 38
   9.4 The importance of customer satisfaction aspects for participants .................... 40
   9.5 Comparing the perceived service and importance of these aspects ............... 41
      9.5.1 Friendly service ......................................................................................... 41
      9.5.2 Fast service .................................................................................................. 42
      9.5.3 Helpfulness of the staff .............................................................................. 43
      9.5.4 Good product knowledge of the staff ......................................................... 44
      9.5.5 Tastiness of the products .......................................................................... 46
      9.5.6 Cleanliness of the store ............................................................................ 47
   9.6 How likely to repurchase ..................................................................................... 48
9.7 How likely to recommend ................................................................. 50
9.8 Overall grade ............................................................................. 52
9.9 Analysis of the results ................................................................. 54
10 Suggestions for the Company X ..................................................... 55
11 Conclusions ................................................................................ 56
Figures ............................................................................................ 58
Graphs ............................................................................................. 59
Tables ............................................................................................... 60
List of references .............................................................................. 61
Appendix 1. Survey questions (English translation)
Appendix 2 Survey questions in Finnish
1 Introduction

Customer satisfaction and service quality have become more important throughout times. This is due to the fact that products and services are becoming more similar to each other. This is why companies have better chances to differentiate themselves by providing quality services and that way creating customer satisfaction. (Ylikoski 1999, 117.)

It is known that maintaining old customers is more cost-efficient than acquiring new ones. Creating new customer relationships creates costs for the company and it is ten-times more expensive to acquire a new customer than to keep and nurture old ones (Aarnikoivu 2005, 45). Satisfied customers will keep returning to make more purchases and will most likely tell other people about their good experiences as well (Gerson 1993, 5). Knowing how to meet the expectations of the customers will make it easier to maintain them.

Customer satisfaction research will gain the company valuable information about their customers and their attitudes towards the quality of service and products. This information is valuable for companies, since it helps them to make better business decisions. By performing a customer satisfaction research, the company will receive valuable information about their current situation and if the expectations of customers are met. (Hayes 1992, 2.) Knowing the current customer satisfaction level and understanding what the quality of service means to the customers, helps to further develop the aspects that have an effect on this.

In this thesis a customer satisfaction survey is performed for a company that, due to confidentially agreements, will be referred to as Company X in this thesis. In addition to leaving out the company name, the exact location of the company is not revealed. The Company X operates in the field of fast food industry, and it is a nationwide brand with local stores. It is a franchise business. The Company X has already an existing customer feedback form on the company’s website. From this, the company already has a sense of the current customer satisfaction, but the respondent turnout is low compared to the overall customer flow of the company. There have also been some changes regarding the prices.
and the external look of the brand. Since there has not been an extensive cus-
tomer satisfaction research, the effects of these changes regarding customer
satisfaction are unknown. This is why a comprehensive customer satisfaction
survey is needed.

The results of this research will help the Company X to evaluate how satisfied
the customers are and what quality aspects are important for them. After finding
out the current customer satisfaction levels, development suggestions can be
made.

2 Objectives of the thesis

In this chapter the main research question and supporting sub-question are
presented. The questions create a base for the thesis and its objective. After
that the delimitations of the thesis are presented to create a scope for the study.
Lastly, the overall thesis structure is presented.

2.1 Research question

The purpose of this thesis is to find out the current customer satisfaction level in
the Company X and the means to improve it. Since the main focus of this thesis
is to find out the means how the Company X can furthermore improve their op-
erations regarding customer satisfaction, the main question was formed as fol-
lows:

*How to further improve the overall customer satisfaction in the
Company X?*

In order to answer the main question, a sub-question had to be formed:

*What is the current level of customer satisfaction in the Company
X?*

2.2 Delimitations

The purpose of this thesis is finding out the current customer satisfaction level
of the Company X and the means to improve it. Since the Company X is part of
a nationwide brand, the main focus is to study customer satisfaction on a “store-level” through quality of service, products and the operating environment. Aspects such as social media or advertising are not included in the study - since these aspects are not regulated by the store itself - even though they have an effect on the development of customer expectations.

By finding out the current customer satisfaction level, the company will know how well the customer service is working and where to make improvements or changes so it will work even better. The quality of the product and price has also an effect on the customer satisfaction. The operating environment will include things such as the overall atmosphere and the cleanliness of the store and the opening hours.

2.3 Thesis structure

The following chapters in this thesis have been divided into the presentation of the Company X, literature review, research methodology, research results and the analyzing of them and finally the suggestion points for the Company X and conclusions.

The literature review will present the key concepts of this research, which are: customer satisfaction, service quality, customer and services. Firstly the concept of customer is presented. After that the main concept of the theory is presented, which is customer satisfaction. After that the concept of services and service quality are examined.

The research methodology will include chapter about the question formation and justifications for the chosen research methods. After that the research results and main conclusion and suggestion points for the Company X are presented.
3 Company X

As mentioned earlier in the introduction chapter, the Company X operates in the field of fast-food industry and it is part of a nationwide fast-food chain. As most of the restaurants operating in the fast-food industry, also this concept is based on a franchise entrepreneurship. Thus, Company X is part of a franchise business with its own operating restaurant.

In franchising, franchisors grant the license to the franchisee for conducting business under their marks. Franchisors are the parent company and the franchisee is another firm or person who is granted to conduct business under the trademark. The franchisors not only specify the products and services offered, but also provide brand, operating system and support to the franchisee. As one of its core, franchising is about the franchisor’s brand value. It is the most valuable asset and consumers build their expectations based on their knowledge and previous experiences with that brand. By providing quality service and building customer relationships, the customers will develop loyalty to the store. The consumers have the trust in the brand to meet their expectations alongside with other franchisees in the system. (International Franchise Association 2018.)

Sharing the brand reputation between franchisees is also noted in the study from Cao and Kim (2015, 102-103). In their study, Cao and Kim mention the situation when every unit is under the same brand, whenever there are problems, the customers will have poor perceptions about the whole brand rather than an individual unit. Thus, delivering poor service quality will affect other franchisees in the system as well. (Cao & Kim 2015, 102.) In later chapters, the image of a company or brand and its relationship towards customer satisfaction is examined in more detail.

4 Customer

Customer can be defined as persons or companies that purchase goods or services produced by a company. The customers are the ones who are enabling the continuous and growing business of a company and attracting customers to
consume the company’s products or services, which should be one of the focal points of companies. Creating and maintaining a solid customer base is nowadays essential for the companies in order to survive. Kotler (2005, 15) states that customers should be thought of as financial capital that should be maintained and grow. This reflects well the idea of how customer relationships should be nurtured in order to maintain and develop customer satisfaction. Satisfied customers will bring more revenue to the company and are the vital condition for the company’s existence.

Rope (2005, 536) introduces the idea of when considering customer satisfaction management, customer satisfaction does not require an already existing or formed customer relationship. In the concept of customer satisfaction management, the concept of customer is also widening to potential customers and to persons that are in indirect contact with the company’s services. For example a person who has been in contact with a salesperson of a company is seen as equal customer as someone who has already purchased a product and has already a pre-existing customer relationship with the company.

Customer satisfaction is formed in the contact surface between the company and the customer base. Every time a person is in contact with company’s services a contact surface that customer satisfaction requires is formed. The contact surface includes all contacts between the customer and company. These contacts can be personnel, product, process environment and support system contacts. For example, when a customer is in interaction with an employee of the company in a customer service situation, the contact surface is considering personnel contact. (Rope 2005, 536-537.)

Regarding this thesis, the potential customers or the indirect customers are excluded from the study, since the main focus is finding out what is the current satisfaction level. Thus, in this research, customers who have made a purchase for the first time or have already pre-existing customer relationship with the Company X are included and seen as customers.
5 Customer satisfaction

Customer satisfaction is the main concept in this theory. Customer satisfaction can be explained in a very simplified way; a customer is satisfied when the customer’s needs and expectations are met or exceeded. Therefore, customer satisfaction is comprised of two things: the expectations and experiences of a customer (Rope & Pöllänen 1994, 58-59). Customer satisfaction can also be viewed as influencing the repurchase intentions and behavior of a customer (Qin & Prybutok 2009, 78). This of course leads to more revenue and profit for the company.

Since the expectations and experiences of a customer are always individual, customer satisfaction is also a viewpoint of one individual and it is connected to the present time. Customer satisfaction is not a constant state. This means that customer satisfaction can be changed to one way or another in each contact situation between the customer and company. (Rope & Pöllänen 1994, 59.)

5.1 Customer expectations

As mentioned, the customer satisfaction is comprised of two aspects; expectations and perceived services. The customer’s expectations towards a service and its process functions act as reference point against which the performance is judged (Zeithaml & Bitner 2003, 60). In accordance with Zeithaml and Bitner, Rope (2005, 538) emphasizes the role of customer’s expectations as a reference and starting point to the perceptions. Rope (2005, 538) has illustrated the relation between customer’s expectations and perceptions as follows:
The figure 1 shows how both the expectations and perceptions of a customer are influencing the overall satisfaction level and how they are related to each other. The expectations of a customer create a mirror to which the customer is reflecting the service experiences (Ylikoski 1999, 120). In managing customer satisfaction, it is important to understand that when creating customer satisfaction, both customer expectations and perceptions can be influenced (Rope 2005, 538). Even though these factors can be influenced, it is necessary to note that many of the factors influencing customer’s expectations cannot be controlled (Zeithaml & Bitner 2003, 67).

When examining customer expectations it is important to note that the customer expectations are not homogenous. The expectations of a customer are both two dimensional and flexible (Ylikoski 1999, 219). Zeithaml and Bitner introduce the idea that there are two expectation standards: the desired service and the adequate service. These two service expectations standards can be thought of as the upper and lower boundaries for customer expectations. (Zeithaml & Bitner 2003, 62).

5.1.1 Desired service level

The desired service level can be described as what the customer hopes to receive. It describes the customer’s personal beliefs of what “can be” and “should be”. (Zeithaml & Bitner 2003, 62). Personal needs and enduring service intensi-
fiers are the two main factors influencing the desired service expectations. Personal needs can be physical, social or functional. Enduring service intensifiers can be for example desired service expectations (occurs when customer expectations are driven by another party) and personal service philosophy (customer’s underlying generic attitude about service). (Zeithaml & Bitner 2003, 67-68.)

As mentioned before, customer expectations are not homogenous. This aligns with desired service levels: each customer holds different desired service expectations. (Rope 2005, 539). Even though customers have different expectations levels, Zeithaml and Bitner point out that customers typically holds similar desired expectations across categories of service. However, these categories are not as broad as whole industries. For example, when examining the restaurant industry there are different subcategories such as fast-food restaurants, airport restaurants and expensive restaurants. The desired service expectations vary widely between these subcategories but within subcategories – that are viewed to be similar by customers – they seem to be alike. For instance, the desired service expectations for a fast-food restaurant is quick, convenient and tasty food in a clean surrounding. For an expensive restaurant the desired service expectations usually involve more elegant setting with fine food. (Zeithaml & Bitner 2003, 63.)

5.1.2 Adequate service level

The adequate service level is the level of service that a customer is willing to accept. Since the desired service level cannot be always achieved, customers have their own threshold level of acceptable service that represents the “minimum tolerable expectation”. (Zeithaml & Bitner 2003 62.) Sources for the adequate service expectations are transitory service intensifiers (temporary, short-term factors, e.g. accidents), perceived service alternatives (e.g. a vast variety from which to choose from), self-perceived service role and situational factors (Zeithaml & Bitner 2003, 68).

The adequate service levels are not same within a category as in the desired service expectations. They are shaped through the past experiences. Therefore, a customer can be more dissatisfied with a slow service experience in
Company A that has been in the past consistently fast in service and satisfied with the slow service experience in Company B that has been slow in the past as well. (Zeithaml & Bitner 2003 63.)

5.1.3 Predicted service expectations

In addition to the adequate and desired service expectations, Rope (2005, 539) mentions a third expectation dimension: predicted service expectations. Predicted service expectations are what customers think they are likely to receive. These expectations are shaped through the information that a customer can obtain pre-hand. The service expectations consist of for example word-of-mouth, past experiences, publicity, industry and marketing communications. (Rope 2005, 540.)

5.2 Zone of tolerance

The range between the adequate and the desired service expectations forms the zone of tolerance: what is the minimum service level that a customer is willing to accept and what is the desired service level that a customer is hoping to receive (Ylikoski 1999, 121). It represents the fluctuation in service that a customer is willing to accept. If service does not meet the adequate service expectations, the customer will be disappointed and the satisfaction has not been achieved. If service exceeds the desired service expectations, the customer is delighted and very satisfied. The service that falls somewhere into the zone of tolerance is often unnoted by the customer. When the service falls outside the zone of tolerance – low or high – it will get the customer’s attention. Depending on whether the service exceeds or falls below the zone of tolerance, the reaction will be either positive or negative. (Zeithaml & Bitner 2003, 63.)

Each customer has a different zone of tolerance. These individual zones of tolerances fluctuate depending on number of factors. Some of these factors are company-controlled, such as price. For example, when the price increases, customer’s adequate service level increases as well, making them to be less tolerant for low service. Situational circumstances tend to fluctuate the customer’s zone of tolerance when considering adequate service level. Compared to adequate service level, the desired service is more stable. The desired service level
tends to move up in customer’s zone of tolerance due to accumulated experiences. The desired service level is less likely to change than the adequate service level. (Zeithaml & Bitner 2003, 65-66.)

5.3 Factors influencing customer satisfaction

In colloquial language, service quality and satisfaction are often thought as synonyms. This is no surprise, since it is easy to be satisfied when receiving good quality service. However, other aspects linked to the service experience can generate or prevent satisfaction as well. Thus, quality service is only one aspect affecting the customer satisfaction. (Ylikoski 1999, 149.)

Customer satisfaction can be affected by targeting the concrete and abstract qualities of service that particularly creates the feeling of satisfaction for the customer. In a service organization the quality service aspects are usually targeted, since they specifically create customer satisfaction. (Ylikoski 1999, 152.) In the Figure 2 below all the factors influencing customer satisfaction are represented:

![Figure 2. Factors influencing customer satisfaction (Ylikoski 1999, 152.)](image)

As can be seen from the figure above, the service quality is not the only aspect affecting customer satisfaction. Product quality and price are also factors that
are influencing customer satisfaction. Service quality, product quality and price are all internal factors that a company can have an influence on.

The external factors affecting customer satisfaction are situational and personal factors. These are factors that a company cannot influence. Personal factors can be for example the customer’s emotions and personal beliefs. The situational factors can be for example the rush of a customer.

Qin and Prybutok (2009, 78) in their research concerning the service quality, customer satisfaction and behavioral intentions in fast-food restaurants, note that service quality and food quality were the two main determinants for customer satisfaction. While the service and product quality were found to be the main determinants for customer satisfaction, the importance of perceived value was found to be insignificant. The perceived value is about having a competitive price for the products and having a good value-price relation. Thus the perceived value can be thought as a price factor. Qin and Prybutok (2009) suggest that the insignificance of the perceived value is possibly caused by the homogeneous nature of the construct within the fast-food restaurant industry rather than the importance of perceived value construct within food service (Qin & Prybutok 2009, 78, 81).

5.3.1 Price

Price is the value of a product or service indicated with money (Lahtinen & Isoviita 2001, 137). It has many different functions. As mentioned, price reflects the value of a product or service. Price is also a tool in creating a certain image of the product for a customer, for example the image of quality. It is also a basic element affecting competition – keeping the prices low might block competition. Price is also affecting profitability. It also affects the positioning of a product or service – the price has to be accepted by the target group. (Rope 2005, 222-223.)

Since price has to be accepted by the target customer group and it is affecting the profitability of a company, customer satisfaction cannot be the only factor determining the price of service. But as discussed earlier, price impacts the value of a service to a customer and it also builds-up service expectations. Thus, a
price is a factor affecting customer satisfaction. Having the right price, for the company and customer, helps in creating customer satisfaction.

5.3.2 Product

Most of the companies are defining themselves through products (Kotler 2005 173). This reflects the mindset that a lot of companies have, the product being the heart of the business. In this product-centered mindset the customers have been the targets of company’s production. In other words, the companies have tried to grow their own financial capital with revenues that come from product sales. The increased competition of customers has changed this situation and shifted the focus point from the products to customers. (Hellman & Värilä 2009, 169-170.) This can be seen also in the Figure 2; having quality products cannot guarantee customer satisfaction; it is only one part of it.

In the case of Company X, the product quality is concerning food, beverage and other products that are sold in the shop. This is why providing quality products – tasty, fresh food and cold beverages – is having an effect on customer satisfaction. If the end product that the customer is getting in the transaction is bad, complete satisfaction cannot be generated.

6 Service

Describing different services can be challenging due to their intangible and heterogeneous nature. Services can be defined various ways. Generally services are compared to physical products, even though they are very different by nature. According to Grönroos (1998, 53) there are four common features for services:

1. Service are more or less intangibles
2. Services are series of activities or acts and not physical products
3. Services are produced and consumed more or less simultaneously
4. The customer is involved more or less in the production process
Services are subjectively experienced processes in which the production and consumption processes are happening at the same time. An example of this is the hairdresser services. There are several interaction situations between the customer and the service employee during these processes that are called “moment of truth”. Service perceptions of a customer are influenced by these service encounters between the customer and employees. (Grönroos 2015, 100.)

6.1 Service production process

Service production process consists of three parts: customers, contact resources and physical resources. It is essential that there is compatibility between all of the three parts and functions of each individual part in order to provide a functioning and efficient service production process. From the customer’s point of view this is seen as quality. (Lehtinen 1986, 28-29.)

6.1.1 Customer resources

In service production process instead of focusing on customer segment group, more important is to focus on the individual customer participating in the process. Customer has different roles in the service production process and these depend on the company and the nature of its services. (Lehtinen 1986, 31). These different roles of a customer are presented below according to Lehtinen (1986, 31):

1. The customer is the most important resource of service production.

2. The customer is an important quality controller

3. The customer is an important marketing resource of the service company

4. Customer is an object and subject of market communication

The key concept to these roles is customer participation. Without the participation of a customer, the service production process does not function (Lehtinen 1986,32.)
6.1.2 Contact resources

Lehtinen (1986) has also divided the contact resources into two categories:

1. Resources in direct and constant contact with customer producing services

2. Resources that are seldom in customer contact.

Connecting these two categories is also important: the one producing services also sells services. Most employees are in constant contact with the customer in many service companies. Contact persons of a service company have many roles. They produce and sell services simultaneously. They also act as quality controllers. (Lehtinen 1986, 34.)

6.1.3 Physical resources

Physical resources consider the goods consumed simultaneously or after the service production process. It also considers the surrounding and equipment needed in order to produce services. (Lehtinen 1986, 35.)

6.2 Service package

The outcome of the service production process can be described as the service package. Both products and services are constructed with intangible core benefit, concrete and abstract parts and additional services and products that have an effect on what customer is getting when buying the product. In the core of service package, there is the core service and it is surrounded by peripheral services. The core service can be also described as the core benefit. It is the WHY a customer is willing to pay for the service and it represents the intangible set of core benefits. Surrounding the core service there are the peripheral services that are additional services provided for the customer in order to help concretizing the core service. Usually the peripheral services differ depending on the importance and their meaning. (Lehtinen 1986, 37; Ylikoski 1999, 222,224.)

According to Lehtinen (1986, 37-38) there are two important points to be kept in mind:
1. Whether to use peripheral services or not, has nothing to do with the service quality. It is simply a strategic decision as to how many peripheral services are to be included in a service package.

2. Sometimes money can be made with peripheral services only, since the core benefit is intangible.

A good example that is suitable regarding this thesis as well are the restaurant services. The core service is the feeling and opportunity to meet other people, but the turnover comes from the served food and drinks. (Lehtinen 1986, 38.)

7 Service quality

Kotler (2005,123) mentions that in a situation, when all the products start to resemble one another, service becomes the most promising way for companies to differentiate themselves from one another. This can be seen especially in the restaurant industry in the USA, where the competition has increased. In order to retain customers, the ability to sustain high-quality services and meeting the customer needs are essential for the company. (Min & Min 2011, 282.) Service quality is considered as a quick path to increase customer satisfaction since it is considered to be one of the focal features in consumer’s perception of restaurants (Yasin & Yavas 2001 and Wong & Fong 2010 according to Cao & Kim 2015, 100). Superior service leads to more loyal and satisfied customers whereas poor service will increase the customer dissatisfaction and the likelihood that the customer will turn to a competitive company. (Gilbert et al. 2004 according to Qin & Prybutok 2009, 79). Thus, providing quality service becomes a focus point of customer orientation.

To put it simply, quality of service is anything that the customer perceives as quality (Gerson 1993, 5). Although service quality can be defined in a rather simplistic way, there is no definition of service quality that would be generally accepted. One way of examining service quality is to study it from the customer’s point of view. Thus, the customer is the one who interprets the service quality. (Lehtinen 1986, 49.) The most variation between the different service quality interpretations concerns the additional dimensions of service quality.
Although service quality has been divided and explained in different ways by different researchers, there are similarities in all of the descriptions. Most of the explanations are including the end product the customer is getting and how the service process is matching the customer’s expectations. In addition to the previously mentioned, the service environment or context is included into the mix. Financial quality and benefits could be added as one-service quality dimension as well. (Grönroos 2015, 103.)

For example, Richard Norman states that there are four dimensions of service quality. According to Norman, service quality can be of a physical product, process, service delivery system and philosophy of an organization. (Lehtinen 1986, 54.) Christian Grönroos mentions two quality dimensions: technical quality and functional quality. The technical quality is what the customer is getting. The functional quality is how the customer is influenced by the received service. In the Grönroos model of service quality, functional quality includes the physical environment where the service process is happening. (Grönroos 2015, 103.)

Regarding this research, the service quality model by Grönroos has been found to be sufficient and efficient enough in describing the service quality as a whole. Hence, the service quality model by Grönroos is introduced more in detail in the next chapters.

7.1 Experienced quality

According to Grönroos (2015, 101) there are two service quality dimensions that the customer experiences: the technical quality and functional quality. These two together influence the total experienced quality.

Technical quality is the end result of a service process; what customer is receiving by the end of service encounter. Technical quality is a big part of customer’s quality evaluation, but it is not the only part of quality that a company should be focusing on. Most of the times customers can evaluate the technical quality quite objectively, since it is the technical solution of a problem. (Grönroos 2015, 101.)
Since there are many service encounters between the customer and service personnel, both successful and unsuccessful moments of truths, the technical quality is not the only thing influencing the experienced quality. Functional quality is how the customer is receiving the service and how the customer experiences the concurrent production and consumption processes. The functional quality is closely related to how the moments of truths and service provider operations are conducted. (Grönroos 2015, 101-102.)

In addition to the technical and functional quality, the image of a company or a local office can influence the experienced service quality. If a customer perceives a positive image of a company, most likely small errors will be forgiven or they have a little effect on the experienced quality. If these errors are reoccurring, the image will be damaged. If a customer perceives a negative image of a company to begin with, any error can harm the image relatively more. (Grönroos 2015, 102.) The image of a company is the sum of customer’s emotions, visions and experiences (Ylikoski 1999, 137). Thus, the image of a company can be seen as the filter of experienced quality.

The relation between all these three factors can be seen in the figure below:
In a fast-food restaurant, the technical quality would be food and the functional quality would be customer service.

In addition to these three dimensions, Grönroos (2015,101) also mentions how the involvement of the customer affects the experienced quality. The more the customer is involved in self-service tasks, the more likely it is that the customer is experiencing the quality as better. Also other customers can influence on the experienced quality. For example, some customers can disturb other customers and make the waiting time longer. On the other hand other customers can also affect positively in the service encounter of a seller and buyer.

### 7.2 Total experienced quality

In the previous chapter the two dimensions of experienced quality were discussed. The perception of whether the service is neutral, good or bad does not only base on these two quality dimensions. The total perceived quality is a more
complex process. In the figure below, all the aspects affecting the total perceived quality are presented.

Figure 4. Total perceived quality (Grönroos 2009, 105)

As in determining whether satisfaction is good or bad, also quality is determined by comparing the experienced quality to the expected quality. If the customer expectations of quality meet the experienced quality, customers are satisfied. The total perceived quality is determined by the gap between the expected and experienced quality (Grönroos 2015, 106).

As seen in the figure above, the expected quality is influenced by many factors: word-of-mouth, market communications, image and customer needs. Market communications include internal factors that a company can influence. These are such as direct marketing, sales promotion and sales campaign. The company image and word-of-mouth can only be overseen indirectly. The customer’s personal needs are external factors that a company cannot influence. (Grönroos 2015, 105-106.)

One effective way of affecting the quality expectations is not to promise too much. Many quality enhancement projects fail due to companies promising too
much too early. When planning marketing campaigns, it is crucial not to promise something that is not realistic. By promising too much, companies are raising the expectations of customers and when companies cannot fulfill their promises, the customer will be disappointed. It is better to promise less and provide more than what is promised. This leaves room for delighting the customer. (Grönroos 2015, 106.)

7.3 Moments of truth

For the quality service experience, crucial moments are when a customer meets the resources and procedures of a company. These service encounters and interaction situations define the level of functional quality. Also in these situations, the outcome of technical quality of the outcome is shifted either completely or partly to the customer. In service management these situations are called “moments of truths”. (Grönroos 1998, 68.)

The concept of “moments of truth” was introduced by Normann in 1984. The concept means the exact moment when the service provider has the chance to prove the quality of its services to the customer. After that moment has passed, there are no easy ways to change the customer’s perception towards the quality of service. (Grönroos 1998, 68.) The moment of truth refers to the uniqueness of each service encounter, since no service encounter will ever occur again in the exact manner. Referring to Lahtinen there is a 1/12-rule, in which one negative experience requires 12 positive experiences. (Lahtinen, 1990 in Aarnikoivu 2005, 93.) Thus, the service encounters between the customer and service employee are crucial.

Even when the customer has had many interactions with the company, each individual interaction is crucial in creating the overall, composite, image in the customer’s memory. Many positive images of interactions with the company adds up to a positive image of the company, whereas many negative interactions leads to a negative image. In a situation where there are mixed positive and negative interactions and feelings, the customer is left uncertain of the provided service quality and company. (Zeithaml & Bitner 2003, 101.)
7.4 Service quality dimensions

Customers do not perceive quality in a one-dimensional way. They rather judge quality based on multiple factors, which are relevant to the context. (Zeithaml & Bitner 2003, 93.) There are various measurements scales for measuring service quality and there have been several researches about the service quality evaluation. Also the use of different measurement scales and their compatibility in different service contexts has been questioned in many researches. (Ylikoski 1999, 126; Wu & Mohi 2015, 359.)

One pioneering research about service quality dimensions and the quality factors has been conducted by Parasuraman, Zeithaml and Berry in 1985 (Zeithaml & Bitner 2003, 93). In their research, Parasuraman et al. found ten different quality factors that they specify as quality dimensions. When evaluating services, the customer forms their perceptions from the ten quality dimensions. (Ylikoski 1999, 126; Zeithaml & Bitner 2003, 93.) These quality dimensions are:

- Tangibles
- Reliability
- Responsiveness
- Competence
- Courtesy
- Credibility
- Security
- Access
- Communication
- Understanding the customer

In later studies, the original ten quality dimensions have been combined into five dimensions. These five dimensions or service quality are liked to be suitable
across different industries and service contexts. These five dimensions are criteria by which the interaction, physical environment and the outcome quality can be judged. Thus, these five dimensions represent how customers organize information about service quality in their minds. (Ylikoski 1999, 126; Zeithaml & Bitner 2003, 93.) When considering the service quality dimension model by Grönroos, the interaction and physical environment can be considered as functional quality and the outcome quality as technical quality.

The transformation from the ten quality dimensions to five dimensions is presented in the picture below:

![Diagram of five quality dimensions](image)

Figure 5. Five quality dimensions (Ylikoski 1999, 133.)

Reliability is defined as the ability to perform the service as promised. This means that the service is provided accurately and dependably. Kept promises considering company’s service outcomes and core service attributes are especially important. (Zeithaml & Bitner 2003, 95,97.) This also means that the service is provided right in the first time. Reliability is the most important criterion when a customer is evaluating the quality of service (Ylikoski 1999, 127).
Responsiveness is the willingness to provide prompt service and to help customers. Responsiveness does not mean only the speediness of the service encounter, but also the promptness of dealing with customer complaints, questions and requests. It also captures the flexibility and customizability of the service regarding customers’ individual needs. (Zeithaml & Bitner 2003, 97.)

Assurance means that the service providers have the sufficient knowledge, courtesy and abilities. This covers the customer service employees as well as the employees that enable customer service employees operations. (Ylikoski 1999, 127.) Its function is to inspire trust and confidence. This dimension is particularly important for services that involve high risks from the customer’s point of view or if the customer feels uncertain about their abilities to evaluate the service outcomes (for example legal services). (Zeithaml & Bitner 2003, 97.)

Empathy is about treating the customers as individuals. The core aspect of empathy is that through personalized and customized service the customers can be conveyed that they are unique and special. The customers want to feel understood and that their needs are noted. (Zeithaml & Bitner 2003, 98.) A regular customer will be delighted if the personnel shows that they know the person (Ylikoski 1999, 129).

Tangibles are defined as the appearance of physical facilities, personnel, equipment and communication materials. All of these provide a physical representation of the service to the customer. Customer will use these tangibles to evaluate the service. Service industries, such as hotels and restaurants, usually emphasize tangibles in their strategies. (Zeithaml & Bitner 2003, 98.) To sum it up, tangibles are the “visible proof” of a service (Ylikoski 1999, 129).

8 Research method

Since the purpose of this thesis is to measure the current customer satisfaction levels in the Company X, the use of primary research data is essential. Regarding whether to use qualitative or quantitative research methods, both would have been useful. Due to the nature of this thesis, a quantitative approach for the research was selected, since it enabled larger scale customer satisfaction to
be measured within the time and resources considering this thesis. Also it allowed an easier way to represent and analyze the results of this research.

For this thesis, the research was conducted in the form of self-administered paper survey. This survey method was chosen since it was seen to be the less time-consuming and cost-efficient option, than for example conducting interviews. The paper questionnaire forms were available and distributed in store for the customers of Company X. The use of online surveys was not seen necessary, since the company already offers an online channel for customer feedback. The questionnaire was constructed mainly with quantitative questions with one open-ended question for open feedback in the end. In the first part of the survey, participants were asked about the experienced service process and they were presented different statements of it. In the second part of the survey, the participants were asked to rank their opinions on selected aspects from the earlier statements: how important something is for that person. In the third part, the participants were asked to give out overall grades for different aspects. The final part of the survey included some background information of the customers, such as age and their frequency of visiting the store. More about how the questions for the survey were formed in a later chapter.

The target population of the research is the customers of Company X and the sample from that population were the customers, who did business in the store during the time period when the empirical data was acquired. Since there were no customer registers to be used in this research, the sampling method was non-probability sampling. In total, 96 responses were collected from the customers who were willing to participate in the research. Distributing the paper questionnaires for the customers at the Company X ensured that all the participants were indeed actual customers. Due to the fact that the questionnaire was in Finnish, it limited the participants to customers who knew Finnish. The customers were motivated to participate in the survey with a lottery of a gift card.

Due to the nature of fast-food restaurant business, it should be noted that on average, customers might not spend that much time in the restaurant. Many customers did not want to participate in the survey due to lack of time or interest. In addition, customers who might have had to wait for a longer time may not
have additional time to stay and fill in a survey. Thus non-response errors might have occurred. Also the use of non-probability sampling method and the rather small sample size may have led to sample selection error, as the subjects may have not formed a perfectly accurate representation of the target population. In addition, since the research was conducted as self-administrated survey, there was no way of verifying that all answers were perfectly honest or understood in the right way.

After the data for this research was collected, data analysis was performed by using Statistical Package for the Social Sciences (SPSS). The decision to use SPSS in analyzing the data was made due to the nature of data. Since the data was quantitative, the SPSS was a convenient tool to process and represent the data effectively. Some of the results received from the SPSS analysis were transported to Excel and then transformed into more comprehensible charts. The Net Promoter Score was also formatted with Excel. The Net Promoter Score is further explained in the chapter 8.2.

8.1 Question formation

The survey questions were formed based on Figure 2 that presented the factors influencing customer satisfaction. The goal was to include questions from all of the internal factors that the company can influence on, such as price, service quality and quality of product. Questions considering the external factors were not included into the questionnaire since the company cannot influence these factors. As background information the participants’ age, time of visit and the company when visiting the store were asked. The gender of the participants was not asked, since based on previous research by Cao and Kim (2015), there was no significant difference in perceived service quality between the male and female respondents. This finding was also consistent with Lee’s (Lee 2000 in Cao & Kim 2015) study, which showed that perceived service quality was not affected by a customer’s gender. (Cao & Kim 2015, 111.)

The questions were mostly structured questions with answer choices from which the participants were told to choose the most suitable option. In addition to the structured questions there were statements with five-point Likert-type re-
response format that allowed the participants to respond in varying degrees to each item that described the service (Hayes 1992, 57). There was also a ten-point scale used for three statements that were considering the overall satisfaction. Structured questions were used the most in order to minimize errors, that could have occurred due to the different language level skills from different respondents. The questions were designed to answer one thing at a time and there was a possibility to answer “I cannot say/I do not know” as a neutral option. (Lotti 1998, 76.) In the end of the questionnaire there was also an open spot for open comments or feedback if the participant wished to leave any. The responses from the open questions were reported and presented for the Company X, but they are excluded from the research results presented in this thesis due to confidentiality agreements.

8.2 Net Promoter Score

A Net Promoter Score question is also included in the questionnaire. In this research the Net Promoter Score of the Company X is calculated and then compared to the average Net Promoter Score of fast-food industry. Comparing the score to the average and other competing companies in the same industry, gives the Company X valuable information on how well they are performing compared to others.

The Net Promoter Score (NPS) is a customer satisfaction, experience and loyalty indicator. It has been formulated by Fred Reichheld, Bain & Company and Satmetrix in 2003. It measures the likelihood of a customer to recommend a company, service or product to a friend or colleague. NPS asks one question that rates responses based on a 0 to 10 scale. It segments customers into three types based on that scale: passives, detractors and promoters. (Frazier 2017.)

The detractors are the least satisfied customers and they are formulated from responses that are in the scale 0 to 6. Customer who belong in this group are likely not to purchase again and spread negative word of mouth if additional actions to improve their experiences have not been made. (Frazier 2017.)

The passives are typically satisfied, but not to the extent that it would create customer loyalty. The passives include responses from the scale 7 to 8. Cus-
tomers belonging to this group are open to competitors’ offers and they are not likely to spread neither negative nor positive word of mouth. (Frazier 2017.)

The promoters are customers who have rated their experience as 9 or 10. These are loyal and enthusiastic customers who are likely to spread good word of mouth about their experiences. The promoters can also be brand advocates. (Frazier 2017.)

The NPS can vary from -100 to 100. A Net Promoter Score of 100 means that every respondent is a promoter. Meaning that all customers taking part in the survey are loyal customers. A Net Promoter Score of -100 means that everyone is a detractor, meaning that there are no loyal customers and the likelihood of negative word of mouth is high. The NPS is calculated by subtracting the percentage of detractors from the percentage of promoters. The Net Promoter Score is an indicator of the company’s health and is considered to be the first step to improve customers' loyalty. (Frazier 2017.)

9 Research results

In this chapter the research results of the survey are presented. The research results are attempted to analyze and present in a way that fulfills the research objective and answers the research questions. The results are presented in the subchapters below and in addition there is a chapter dedicated only for the analysis of the results.
9.1 Background information

In total, 96 respondents took part in the survey. Graph 1 illustrates the age distribution between the respondents. In the survey, there was an open spot in which respondents could write their age. Later on, the responses were divided into seven different age categories in order to illustrate more comprehensible results. There were 95 valid cases and one missing case. The answers were analyzed in SPSS by producing a frequency table and a bar chart. The age distribution between respondents is presented below:

Graph 1. Age distribution between respondents

As seen from the Graph 1, majority of the respondents were between the age 18 and 24 (total of 29.5%). Also the age groups 17 or younger (24.2%) and between 25 and 34 (20%) represented a significant share. There was an equal number of respondents from the age groups between 35 and 44, and 45 and 54 years old (12.6%). One point one percent of the respondents was 65 or older. It
can be seen from the graph presented above that there were no respondents from group 55 to 64.

The participants were also asked with whom they were visiting the store. There were five options from which the participants could choose from: family, partner, working colleague, friends or alone. A frequency table from the answer was produced with SPSS. There were 94 valid cases and two missing cases in this question. Interestingly, 24.5% of participants was either there with family or alone. Twenty-three point four percent of the participants was visiting the store with friends and 17% was there with their partners. Only 10.6% of participants was there with working colleagues.

In the survey, the participants were asked how often they are visiting the store of Company X. A frequency table and pie chart were produced when analyzing the responses. There were 95 valid cases and one missing case in this question. The results for this question can be seen in the Graph 2, which represents how often customers are visiting the store of Company X:

![Graph 2. How often visiting the store](image-url)
As seen from the graph above, 41.1% of the respondents is usually visiting the store 1 to 3 times per month. Twenty-six point three percent of the respondents are visiting the store 1 to 3 times per three months and 13.7% are visiting the store once in half a year or less. Only 12.6% of the respondents is visiting the store once a week or more and 6.3% of the respondents was visiting the store for the first time.

Forty-five point five percent of the respondents was visiting the store between 2pm and 6pm. Thirty point seven percent of respondents was visiting the store during what can be considered the lunchtime between 11am and 2pm. Eighteen point two percent of respondents was visiting the store after 6pm and 5.7% of the respondents was visiting the store before 11am. These figures do not represent the busiest hours of the Company X, but rather the hours when the participants had enough time to take part in the survey. For example, many customers who are visiting the store at lunchtime might be in a rush due to restricted lunch hour. From the total of 96 participants, there were 88 responses for this question. A frequency table was produced when analyzing these results.

9.2 Service process

In the first part of the survey, there were some general questions about the service process. These questions had the answer format of simple “yes”, “no” or “I do not know”. These questions included some basic information of the service process: was the participant greeted, were the products wanted available and was the order fulfilled correctly. The answers were analyzed with SPSS by producing frequency tables and then further analyzed if these aspects had any influence on the given overall grade.

9.2.1 Greeting

Seventy-seven point one percent of the participants was greeted when entering the store, 18.8% was not greeted and 4.1% does not know. It can be that the 4.1% of participants who answered to the question with the option “I do not know”, is because some customers might not pay attention to it. To see if there is any correlation between whether the respondent was greeted or not and the given overall grade for customer service, a crosstabulation table was produced:
Table 1. Crosstabulation and chi-square test: Greeting when entering*Overall grade of customer service

From this table, it can be seen that 66.7% of the respondents who gave the overall grade of 7 was not greeted when entering the store. Nine percent of the respondents who gave the overall grade of 10 were not greeted when entering the store, while 87.5% of the respondents who gave the overall grade of 10 were greeted when entering the store. Looking at this crosstabulation table alone, it seems that the respondents who were greeted when entering the store were likely to give out higher overall grades as well. To find out if the greeting of a customer influences the given average grade and the results are not due to chance, a chi-square test was performed.

The results from the chi-square test revealed that there is no relationship between these two variables, since the significance of 0.081 is bigger than the risk...
level of 0.05. In addition, 58.3% of the cells have expected count less than 5, which makes the test unreliable. Thus, regarding this research, there is no proven difference between the respondents who were and were not greeted and the given overall grade.

### 9.2.2 Product availability

The second question of the service process was about whether the wanted products were available. From the total of 96 responses, there were 94 valid cases and two missing cases. A frequency table was produced to see the division between “yes” and “no” answers and a crosstabulation table was produced to see the relation between product availability and the given overall grade.

For 95.8% of the participants the wanted products were available, 4.2% of participants disagreed with this. A crosstabulation table and the result of the chi-square tests are presented below:

#### Wanted products were available vs. Overall grade of customer service Crosstabulation

<table>
<thead>
<tr>
<th>Wanted products were available</th>
<th>Count</th>
<th>Overall grade of customer service</th>
</tr>
</thead>
<tbody>
<tr>
<td>No</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Expected Count</td>
<td>0.3</td>
<td>0.1</td>
</tr>
<tr>
<td>% within Overall grade of customer service</td>
<td>16.7%</td>
<td>0.0%</td>
</tr>
<tr>
<td>Total</td>
<td>6</td>
<td>20</td>
</tr>
<tr>
<td>Expected Count</td>
<td>0.0</td>
<td>0.0</td>
</tr>
<tr>
<td>% within Overall grade of customer service</td>
<td>100.0%</td>
<td>100.0%</td>
</tr>
</tbody>
</table>

#### Chi-Square Tests

<table>
<thead>
<tr>
<th>Test</th>
<th>Value</th>
<th>df</th>
<th>Asymptotic Significance (2-sided)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pearson Chi-Square</td>
<td>2.569</td>
<td>3</td>
<td>0.458</td>
</tr>
<tr>
<td>Likelihood Ratio</td>
<td>1.697</td>
<td>3</td>
<td>0.838</td>
</tr>
<tr>
<td>Linear-by-Linear Association</td>
<td>1.278</td>
<td>1</td>
<td>0.258</td>
</tr>
</tbody>
</table>

| N of Valid Cases | 94 |

*4 cells (50.0%) have expected count less than 5. The minimum expected count is 1.0.

Table 2. Crosstabulation and chi-square tests: Wanted products were available vs. Overall grade of customer service
From this table it can be seen that 16.7% of the respondents who gave the overall grade of 7, their wanted products were not available. Eighty-three point three percent of respondents who gave the overall grade of 7, their wanted products were available. The chi-square test also reveals that the variables are not dependent of each other, since the significant value of 0.459 is bigger than the risk level of 0.05. In addition, 50% of the cells have expected count less than 5, which makes the test unreliable. Thus, there is no proven difference between the respondents whose wanted products were and were not available and the overall grade.

9.2.3 Correct order

The third question was whether the order was fulfilled correctly. For 93.6% of the respondents their order was fulfilled correctly. Three point two percent of respondents answered that their orders were not fulfilled correctly and 3.2% chose the option “I do not know”. The 3.2% share of “I do not know” answers might be due to some participants taking their orders to-go, so they have not checked whether the order was correct or not. To see if there is any correlation between if the order was fulfilled correctly and the given overall grade, a cross-tabulation table and chi-square test were produced:
Table 3. Crosstabulation and chi-square tests: Order was fulfilled correctly*Overall grade of customer service

From the table above, it can be seen that the 16.7% of the respondents who gave the overall grade of 7, orders were either not correct or they were not sure if they were correct or not. Sixty-six point seven percent of respondents whose order was correct gave the overall grade of 7. Only 3.2% of respondents whose order was not fulfilled correctly and 96.8% of the respondents whose order was fulfilled correctly gave the overall grade of 10. Looking at the crosstabulation table alone, it cannot be assumed that the respondents whose orders were fulfilled correctly were only giving higher scores for the overall grade. The results from the chi-square test confirms that there is correlation between these two variables. Nevertheless, 66.7% of the cells have expected count less than 5, which means that the test is unreliable and further generalization or assumptions cannot be made.

9.3 Statements

As mentioned before, the survey included also statements to which the participants could answer on a scale “Strongly agree to Strongly disagree”. These statements are based on the five quality dimensions (reliability, responsiveness,
assurance, empathy and tangibles) affecting perceived service quality. Also factors such as price and product quality are included in the statements. These statements were considering the perceived service experiences during that particular service encounter. The answers were analyzed in SPSS by producing a frequency table for each statement. The results were then transported to Excel in order to generate a more comprehensible and meaningful chart that enables to compare the results in a more meaningful way. The results for these statements are presented in the Graph 3 below:

Graph 3. Statements

From the Graph 3 can be seen that most of the respondents were strongly agreeing that the products are tasty (83.3% of respondents) and that the service was smooth (80.2% of respondents). When examining the frequencies table produced in SPSS it can be seen that the most variation between answers had the question about staff having good product knowledge, (standard deviation was 1.223) and it had the most “I do not know” answers. There may have been no need for the customer to acquire more information about the products. The most “strongly disagree” and “disagree” answers were given to questions about the store coziness and suitable opening hours. Even though there was the
strongest disagreement in these answers, still 86.5% of respondents were agreeing or strongly agreeing with these statements.

9.4 The importance of customer satisfaction aspects for participants

After the statements of how the service process had gone, the participants were asked questions on how important the aspects are for them. This gives a little insight to the customers' values and helps the Company X to evaluate what to focus on more in the future. Not all of the aspects were included in the “How important” statements. A frequency table was produced using the SPSS analyzing tool and then transported to Excel in order to produce a more comprehensible chart. The opinions of the participants are represented in the Graph 4 below:

Graph 4. Importance of different customer satisfaction aspects

From these aspects you can see that the most valued factors among the respondents are the product tastiness (91.7% of the respondents were strongly agreeing with the statement); also friendly service was valued among the participants with 85.4 percent strongly agreeing this to be important for them. The least valued factor among the participants was the cleanliness of the store with 8.3 percent disagreeing store cleanliness being important for them.
### 9.5 Comparing the perceived service and importance of these aspects

In order to efficiently analyze the differences between the perceived service and how important these aspects are to the respondents, Wilcoxon signed-rank test was performed on SPSS. Wilcoxon signed-rank test was chosen to analyze this data, since the data was not normally distributed. By using the Wilcoxon signed-rank test, the possible differences between the perceived service and the importance of these factors for the respondents can be detected. Each comparison and results are presented in their own subchapters.

#### 9.5.1 Friendly service

By performing the Wilcoxon signed-ranks test, a descriptive statistics, ranks and test statistics tables were produced. From the descriptive statistics table it can be seen that the perceived service average was 3.74 and the importance average was 3.83. The ranks table shows that there were 16 respondents who graded the importance of friendly service to be higher than what they experienced. Therefore, for those respondents, it can be assumed that the service expectations were higher than the perceived service level.

From the test statistics table it can be seen that, on average, there is no difference between the experienced friendliness and how important it is for the respondents. The significance level 0.135 is bigger than 0.05. This means that the experienced friendliness of service matches how important this aspect is for the respondent.

The table is presented below:

<table>
<thead>
<tr>
<th>Descriptive Statistics</th>
<th>N</th>
<th>Mean</th>
<th>Std. Deviation</th>
<th>Minimum</th>
<th>Maximum</th>
</tr>
</thead>
<tbody>
<tr>
<td>Service was friendly</td>
<td>95</td>
<td>3.74</td>
<td>.550</td>
<td>1</td>
<td>4</td>
</tr>
<tr>
<td>How important is staff friendliness</td>
<td>95</td>
<td>3.83</td>
<td>.429</td>
<td>2</td>
<td>4</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Ranks</th>
<th>N</th>
<th>Mean Rank</th>
<th>Sum of Ranks</th>
</tr>
</thead>
</table>

How important is staff friendliness - Service was friendly

| Negative Ranks | 9<sup>a</sup> | 12.33 | 111.00 |
| Positive Ranks | 16<sup>b</sup> | 13.38 | 214.00 |
| Ties           | 69<sup>c</sup> |       |       |
| Total          | 94           |       |       |

a. How important is staff friendliness < Service was friendly
b. How important is staff friendliness > Service was friendly
c. How important is staff friendliness = Service was friendly

Test Statistics<sup>a</sup>

<table>
<thead>
<tr>
<th>How important is staff friendliness - Service was friendly</th>
</tr>
</thead>
<tbody>
<tr>
<td>Z</td>
</tr>
<tr>
<td>Asymp. Sig. (2-tailed)</td>
</tr>
</tbody>
</table>

a. Wilcoxon Signed Ranks Test
b. Based on negative ranks.

Table 4. Wilcoxon test, friendly service

9.5.2 Fast service

When asking about the experienced fastness of service and the importance, the perceived service average was 3.72 and the importance average was 3.52. From the ranks table it can be seen that 14 respondents graded the fastness of the service to be higher than the perceived service. Fifty-seven respondents experienced the fastness of the service to be equal to how important they think it is.

From the test statistics table it can be seen that there is no statistically significant difference in the perceived service and how important it is for the customer. The significance level was 0.076. Therefore, on average, the experienced fastness of the service matches how important this aspect is for the respondent.

The table of these results is presented below:

<table>
<thead>
<tr>
<th>Descriptive Statistics</th>
</tr>
</thead>
<tbody>
<tr>
<td>N</td>
</tr>
<tr>
<td>------------------------</td>
</tr>
<tr>
<td>Service was fast</td>
</tr>
<tr>
<td>How important is fast service</td>
</tr>
</tbody>
</table>
### Ranks

<table>
<thead>
<tr>
<th>How important is fast service - Service was fast</th>
<th>Negative Ranks</th>
<th>Positive Ranks</th>
<th>Ties</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>N</td>
<td>Mean Rank</td>
<td>Sum of Ranks</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>25^a</td>
<td>20,34</td>
<td>508,50</td>
<td></td>
</tr>
<tr>
<td></td>
<td>14^b</td>
<td>19,39</td>
<td>271,50</td>
<td></td>
</tr>
<tr>
<td></td>
<td>57^c</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>96</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. How important is fast service < Service was fast  
b. How important is fast service > Service was fast  
c. How important is fast service = Service was fast

### Test Statistics

<table>
<thead>
<tr>
<th>How important is fast service - Service was fast</th>
<th>Z</th>
<th>Asymp. Sig. (2-tailed)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>-1.776^b</td>
<td>.076</td>
</tr>
</tbody>
</table>

a. Wilcoxon Signed Ranks Test  
b. Based on positive ranks.

Table 5. Wilcoxon test, fast service

### 9.5.3 Helpfulness of the staff

From the table below, it can be seen that the average for the perceived staff helpfulness was 3.66 and the importance average for this aspect was 3.67. From the ranks table it can be seen that there was total of 13 respondents who rated the importance of the staff helpfulness to be higher than what the experienced service level was. Therefore, it can be assumed that the helpfulness expectations for those respondents were not met.

The test statistics part shows that the significance level is 0.837. Thus, there is no statistically significant difference between the experienced helpfulness of the staff and how important it is for the respondent. This means that on average, the experienced helpfulness of the staff matches how important this aspect is for the respondent.
Descriptive Statistics

<table>
<thead>
<tr>
<th></th>
<th>N</th>
<th>Mean</th>
<th>Std. Deviation</th>
<th>Minimum</th>
<th>Maximum</th>
</tr>
</thead>
<tbody>
<tr>
<td>Staff was helpful</td>
<td>96</td>
<td>3.66</td>
<td>.806</td>
<td>0</td>
<td>4</td>
</tr>
<tr>
<td>How important is staff helpfulness</td>
<td>96</td>
<td>3.67</td>
<td>.574</td>
<td>2</td>
<td>4</td>
</tr>
</tbody>
</table>

Ranks

<table>
<thead>
<tr>
<th>How important is staff helpfulness - Staff was helpful</th>
<th>N</th>
<th>Mean Rank</th>
<th>Sum of Ranks</th>
</tr>
</thead>
<tbody>
<tr>
<td>Negative Ranks</td>
<td>15&lt;sup&gt;a&lt;/sup&gt;</td>
<td>14.10</td>
<td>211.50</td>
</tr>
<tr>
<td>Positive Ranks</td>
<td>13&lt;sup&gt;b&lt;/sup&gt;</td>
<td>14.96</td>
<td>194.50</td>
</tr>
<tr>
<td>Ties</td>
<td>68&lt;sup&gt;c&lt;/sup&gt;</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>96</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. How important is staff helpfulness < Staff was helpful
b. How important is staff helpfulness > Staff was helpful
c. How important is staff helpfulness = Staff was helpful

Test Statistics<sup>a</sup>

<table>
<thead>
<tr>
<th>How important is staff helpfulness - Staff was helpful</th>
<th>Z</th>
<th>Asymp. Sig. (2-tailed)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>-.206&lt;sup&gt;b&lt;/sup&gt;</td>
<td>.837</td>
</tr>
</tbody>
</table>

a. Wilcoxon Signed Ranks Test
b. Based on positive ranks.

Table 6. Wilcoxon test, helpfulness of the staff

9.5.4 Good product knowledge of the staff

From the table below, the average scores for the experienced good product knowledge and the importance level can be seen. The perceived service average was 3.32 and the importance average was 3.54. From the ranks table it can be seen that there was total of 23 respondents who ranked the importance of staff's good product knowledge to be higher than what their experienced level was. Thus, the expectations for these respondents were higher regarding this aspect than what the perceived service was. The total of 15 respondents experienced the perceived product knowledge to be higher than the importance lev-
el. Total of 57 respondents thought that the experienced product knowledge and how important it is for them matched.

From the test statistics it can be seen that there is no statistically significant difference between the perceived service and how important it is, regarding this aspect. This is due to the significance level that was 0.141. Based on these results it can be stated that, on average, the experienced product knowledge of the staff matches how important this aspect is for the respondent.

**Descriptive Statistics**

<table>
<thead>
<tr>
<th></th>
<th>N</th>
<th>Mean</th>
<th>Std. Deviation</th>
<th>Minimum</th>
<th>Maximum</th>
</tr>
</thead>
<tbody>
<tr>
<td>Staff has good product knowledge</td>
<td>95</td>
<td>3.32</td>
<td>1.223</td>
<td>0</td>
<td>4</td>
</tr>
<tr>
<td>How important is staff product knowledge</td>
<td>96</td>
<td>3.54</td>
<td>0.794</td>
<td>0</td>
<td>4</td>
</tr>
</tbody>
</table>

**Ranks**

<table>
<thead>
<tr>
<th></th>
<th>N</th>
<th>Mean Rank</th>
<th>Sum of Ranks</th>
</tr>
</thead>
<tbody>
<tr>
<td>How important is staff product knowledge - Staff has good product knowledge</td>
<td>Negative Ranks</td>
<td>15&lt;sup&gt;a&lt;/sup&gt;</td>
<td>18.10</td>
</tr>
<tr>
<td></td>
<td>Positive Ranks</td>
<td>23&lt;sup&gt;b&lt;/sup&gt;</td>
<td>20.41</td>
</tr>
<tr>
<td></td>
<td>Ties</td>
<td>57&lt;sup&gt;c&lt;/sup&gt;</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>95</td>
<td></td>
</tr>
</tbody>
</table>

- a. How important is staff product knowledge < Staff has good product knowledge
- b. How important is staff product knowledge > Staff has good product knowledge
- c. How important is staff product knowledge = Staff has good product knowledge

**Test Statistics**

<table>
<thead>
<tr>
<th></th>
<th>Z</th>
<th>Asymp. Sig. (2-tailed)</th>
</tr>
</thead>
<tbody>
<tr>
<td>How important is staff product knowledge - Staff has good product knowledge</td>
<td>-1.472&lt;sup&gt;b&lt;/sup&gt;</td>
<td>.141</td>
</tr>
</tbody>
</table>

- a. Wilcoxon Signed Ranks Test
- b. Based on negative ranks.

Table 7. Wilcoxon test, good product knowledge of the staff
9.5.5 Tastiness of the products

Wilcoxon signed-ranks test comparing the tastiness of the products and how important this aspect is for the respondent was made. From the descriptive statistics table, the beginning situation can be seen: the perceived service average was 3.79 while the importance average was 3.90. The ranks table shows that there was total of 13 respondents whose expectations were higher than the experienced product tastiness.

From the test statistics table it can be seen that, on average, there is no difference between the experienced friendliness and how important it is for the customers, since the significance level 0.101 is bigger than 0.05. Thus, on average, the experienced product tastiness matches how important this aspect is for the respondent.

### Descriptive Statistics

<table>
<thead>
<tr>
<th></th>
<th>N</th>
<th>Mean</th>
<th>Std. Deviation</th>
<th>Minimum</th>
<th>Maximum</th>
</tr>
</thead>
<tbody>
<tr>
<td>Products are tasty</td>
<td>96</td>
<td>3.79</td>
<td>0.560</td>
<td>0</td>
<td>4</td>
</tr>
<tr>
<td>How important is product tastiness</td>
<td>96</td>
<td>3.90</td>
<td>0.369</td>
<td>2</td>
<td>4</td>
</tr>
</tbody>
</table>

### Ranks

<table>
<thead>
<tr>
<th>How important is product tastiness - Products are tasty</th>
<th>Negative Ranks</th>
<th>Positive Ranks</th>
<th>Ties</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>N</td>
<td>5</td>
<td>13</td>
<td>78</td>
<td>96</td>
</tr>
<tr>
<td>Mean Rank</td>
<td>10.20</td>
<td>9.23</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sum of Ranks</td>
<td>51.00</td>
<td>120.00</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. How important is product tastiness < Products are tasty  
b. How important is product tastiness > Products are tasty  
c. How important is product tastiness = Products are tasty

### Test Statistics

<table>
<thead>
<tr>
<th>How important is product tastiness - Products are tasty</th>
<th>Z</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>-1.641</td>
</tr>
</tbody>
</table>
Asymp. Sig. (2-tailed) = 0.101

a. Wilcoxon Signed Ranks Test
b. Based on negative ranks.

Table 8. Wilcoxon test, tasty products

9.5.6 Cleanliness of the store

The last comparison was made between the experienced store cleanliness and how important the store cleanliness is for the respondent. From the descriptive statistics table it can be seen that the perceived service average was 3.54 while the importance average was 3.55. The ranks table shows that there was total of 25 respondents who ranked the importance of store cleanliness to be higher than the experienced store cleanliness.

By performing Wilcoxon signed-rank test, it can be seen that there is no statistically significant difference between these two variables. This means that on average, the experienced cleanliness of the store matches how important this aspect is for the respondent.

<table>
<thead>
<tr>
<th>Description</th>
<th>N</th>
<th>Mean</th>
<th>Std. Deviation</th>
<th>Minimum</th>
<th>Maximum</th>
</tr>
</thead>
<tbody>
<tr>
<td>Store is clean</td>
<td>96</td>
<td>3.54</td>
<td>0.614</td>
<td>1</td>
<td>4</td>
</tr>
<tr>
<td>How important is store clean-</td>
<td>96</td>
<td>3.55</td>
<td>0.647</td>
<td>2</td>
<td>4</td>
</tr>
<tr>
<td>liness</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Ranks</th>
<th>N</th>
<th>Mean Rank</th>
<th>Sum of Ranks</th>
</tr>
</thead>
<tbody>
<tr>
<td>How important is store clean-</td>
<td>24</td>
<td>25.50</td>
<td>612.00</td>
</tr>
<tr>
<td>liness - Store is clean</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Negative Ranks</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Positive Ranks</td>
<td>25</td>
<td>24.52</td>
<td>613.00</td>
</tr>
<tr>
<td>Ties</td>
<td>47</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>96</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. How important is store cleanliness < Store is clean  
b. How important is store cleanliness > Store is clean  
c. How important is store cleanliness = Store is clean

Test Statistics

47
How important is store cleanliness
- Store is clean

<table>
<thead>
<tr>
<th>Z</th>
<th>Asymp. Sig. (2-tailed)</th>
</tr>
</thead>
<tbody>
<tr>
<td>-0.0055</td>
<td>0.996</td>
</tr>
</tbody>
</table>

- Store is clean
- Asymp. Sig. (2-tailed)

Table 9. Wilcoxon test, store cleanliness

9.6 How likely to repurchase

The participants were asked how likely they are to repurchase or revisit the store again based on their experiences. The response format was a ten-point scale from 0 to 10. There was a total of 95 responses out of 96 participants and the responses were analyzed by producing a frequency table on SPSS. Over half of the respondents (57.9%) answered 10, twenty-two point one percent of the respondents answered 9, which means a vast majority of respondents is likely to revisit the store again. Only 4.2% respondents answered 6 and 7 and 15.8% answered 8. The average score for the question was 9.42.

In order to see how the repurchasing responses have been divided between the frequency visiting groups, a crosstabulation table was produced:

### How often visiting the store * How likely to make a repurchase Crosstabulation

<table>
<thead>
<tr>
<th>How often visiting the store</th>
<th>How likely to make a repurchase</th>
<th>Count</th>
<th>6</th>
<th>7</th>
<th>8</th>
<th>9</th>
<th>10</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Once a week or more</td>
<td></td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>0</td>
<td>11</td>
<td>12</td>
<td></td>
</tr>
<tr>
<td>1-3 times a month</td>
<td></td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>10</td>
<td>28</td>
<td>39</td>
<td></td>
</tr>
<tr>
<td>1-3 times in three months</td>
<td></td>
<td>0</td>
<td>2</td>
<td>3</td>
<td>5</td>
<td>15</td>
<td>26</td>
<td></td>
</tr>
<tr>
<td>Once in half year or less</td>
<td></td>
<td>1</td>
<td>0</td>
<td>9</td>
<td>3</td>
<td>0</td>
<td>13</td>
<td></td>
</tr>
<tr>
<td>First time visiting the store</td>
<td></td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>3</td>
<td>1</td>
<td>6</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>2</td>
<td>2</td>
<td>15</td>
<td>21</td>
<td>55</td>
<td>95</td>
<td></td>
</tr>
</tbody>
</table>

Table 10. Crosstabulation: How often visiting the store*How likely to make a repurchase
Looking at the first column it can be seen that the less likely to make a repurchase are respondents who are those visiting the store once in half year or less and the first time visitors (50%). In the second column, it can be seen that the only responses have come from the group consisting of people who are visiting the store 1-3 times in three months. In the third column, it can be seen that 60% of the respondents who gave the score of 8 were respondents who were visiting the store once in half a year or less. In the fourth column it can be seen that 47.6% who gave the score of 9 when considering the likelihood of making a repurchase, were from the group 2 (visiting the store 1-3 times per month). Twenty-three point eight percent of the respondents in the fourth column were customers who were visiting the store 1-3 times in three months. From the last column, it can be seen that 50.9% from the group 2 (visiting the store 1-3 times per month) and 27.3% from the group 3 (visiting the store 1-3 times in three months) gave the answer 10. Only 20% of the respondents who were visiting the store once a week or more gave the grade 10.

Looking at this crosstabulation table alone it seems that the most likely to make a repurchase are the respondents who are visiting the store 1-3 times per month. The less likely to make a repurchase are the ones who are visiting the store less frequently or were visiting the store for the first time.

To find out if the visiting frequency of respondents influences the repurchasing and that the results are not due to chance, Spearman's rank order correlation test was performed:
### Correlations

<table>
<thead>
<tr>
<th>Spearman’s rho</th>
<th>How often visiting the store</th>
<th>Correlation Coefficient</th>
<th>How likely to make a repurchase</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>1,000</td>
<td>-0.545**</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td></td>
<td>.</td>
<td>0.00</td>
</tr>
<tr>
<td>N</td>
<td></td>
<td>95</td>
<td>95</td>
</tr>
<tr>
<td>How likely to make a repurchase</td>
<td>Correlation Coefficient</td>
<td>-0.545**</td>
<td>1,000</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td></td>
<td>0.00</td>
<td>.</td>
</tr>
<tr>
<td>N</td>
<td></td>
<td>95</td>
<td>95</td>
</tr>
</tbody>
</table>

**. Correlation is significant at the 0.01 level (2-tailed).

Table 11. Spearman’s rank order correlation: How often visiting the store*How likely to make a repurchase

From the table above, statistically significant correlation between the visiting frequency and how likely to make a repurchase variables can be assumed, since the sig. 0.00<0.05. A negative correlation between these two variables can be seen from the correlation coefficient (-0.545). Based on these results it can be assumed that from the respondents, the most likely to make a repurchase are the customers who are visiting the store more often.

#### 9.7 How likely to recommend

The participants were asked how likely they are to recommend the Company X to a friend or a colleague. This was the Net Promoter Score question and the response format was also a ten-point scale from 0 to 10. The division of answers can be seen from the Graph below:
From Graph 7 it can be seen that most of the participants are likely to recommend the Company X to a friend or colleague based on their experiences. The average score for this question was 8.77. When considering Net Promoter Score, 5.3% of participants were detractors, 31.6% passives and 63.2% promoters. As mentioned earlier, the Net Promoter Score is calculated by subtracting detractors from promoters. The Net Promoter Score for Company X is then 57.9, which can be rounded up to 58.

According to NPS Benchmarks (2018), the average NPS in the fast-food industry is 33. This includes the average NPS results from 12 companies. The highest Net Promoter Scores in fast food industry, according to NPS Benchmarks, was 78 while the lowest NPS was -8. Therefore, the Company X’s NPS of 58 is clearly higher than the industry average. To mention, this was the fast-food industry average NPS of one website and it can vary slightly within different resources. In addition, this Net Promoter Score is from the US markets, since an equivalent score for the Finnish fast-food industry could not be found. Thus, this result can only be seen as directional.
9.8 Overall grade

The last ten-point scale question was about the overall grade for the customer service. The responses were analyzed by producing a frequency table on SPSS. The lowest overall grade for the service was 7, where the highest was 10. There was total of 95 responses out of 96 participants. As seen from the graph below, 38.95% of respondents gave the overall grade of 9 and 33.7% of respondents gave 10 as the overall grade. Among all the participants, the average grade was 9.06.

Graph 6. Overall grade for customer service

In order to see how the overall grade of customer service responses have been divided between the age groups, a crosstabulation table was produced:
Table 12. Crosstabulation: Age of the customer * Overall grade of customer service

<table>
<thead>
<tr>
<th>Age of the customer</th>
<th>Count</th>
<th>Overall grade of customer service</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>7</td>
<td>8</td>
</tr>
<tr>
<td>17 or younger</td>
<td></td>
<td>1</td>
<td>4</td>
</tr>
<tr>
<td>% within Overall</td>
<td></td>
<td>16.7%</td>
<td>20.0%</td>
</tr>
<tr>
<td>grade of customer</td>
<td>service</td>
<td></td>
<td></td>
</tr>
<tr>
<td>service</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>18-24</td>
<td></td>
<td>3</td>
<td>6</td>
</tr>
<tr>
<td>% within Overall</td>
<td></td>
<td>50.0%</td>
<td>30.0%</td>
</tr>
<tr>
<td>grade of customer</td>
<td>service</td>
<td></td>
<td></td>
</tr>
<tr>
<td>service</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>25-34</td>
<td></td>
<td>1</td>
<td>6</td>
</tr>
<tr>
<td>% within Overall</td>
<td></td>
<td>16.7%</td>
<td>25.0%</td>
</tr>
<tr>
<td>grade of customer</td>
<td>service</td>
<td></td>
<td></td>
</tr>
<tr>
<td>service</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>35-44</td>
<td></td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>% within Overall</td>
<td></td>
<td>16.7%</td>
<td>5.0%</td>
</tr>
<tr>
<td>grade of customer</td>
<td>service</td>
<td></td>
<td></td>
</tr>
<tr>
<td>service</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>45-54</td>
<td></td>
<td>0</td>
<td>4</td>
</tr>
<tr>
<td>% within Overall</td>
<td></td>
<td>0.0%</td>
<td>20.0%</td>
</tr>
<tr>
<td>grade of customer</td>
<td>service</td>
<td></td>
<td></td>
</tr>
<tr>
<td>service</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>65 or older</td>
<td></td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>% within Overall</td>
<td></td>
<td>0.0%</td>
<td>0.0%</td>
</tr>
<tr>
<td>grade of customer</td>
<td>service</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>6</td>
<td>20</td>
</tr>
<tr>
<td>% within Overall</td>
<td></td>
<td>100.0%</td>
<td>100.0%</td>
</tr>
<tr>
<td>grade of customer</td>
<td>service</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Looking at the first column in the crosstabulation table, you can see that 50% of those who gave the average grade of 7, were between the age of 18 and 24. The remaining answers were divided between the age groups 1 (17 and younger), 3 (between 25 and 34) and 4 (between 35 and 44). In the second column it can be seen that 30% who gave the average grade of 8 were between the age 18 and 24, twenty-five percent were between 25-34 and 20% were 17 or younger and between 45 and 54. In the third column it can be seen that 32.4% who gave the average grade of 9 were between the age of 25 and 34. Twenty-nine point seven percent of respondents who gave the average score of 9 were from the age group 2 (age between 18 and 24). From the last column it can be seen that 37.5% who gave the average grade of 10 were 17 or younger, 25% of respondents were between the age of 18 and 24 and 18.8% were between the age of 45 and 54. Looking at this crosstabulation table it seems that the most satisfied customers who gave the average grade of 10 are from the age group of 17 and younger. The least satisfied customers are from the age group between 18 and 24.
To find out if the age of the respondent influences the given average grade and that the results are not due to chance, Spearman's rank order correlation test was performed:

<table>
<thead>
<tr>
<th></th>
<th>Age of the customer</th>
<th>Overall grade of customer service</th>
</tr>
</thead>
<tbody>
<tr>
<td>Spearman's rho</td>
<td>Correlation Coefficient</td>
<td>1,000</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>.</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>95</td>
</tr>
<tr>
<td>Overall grade of customer service</td>
<td>Correlation Coefficient</td>
<td>-0,066</td>
</tr>
<tr>
<td></td>
<td>Sig. (2-tailed)</td>
<td>.523</td>
</tr>
<tr>
<td></td>
<td>N</td>
<td>95</td>
</tr>
</tbody>
</table>

Table 13. Spearman’s rank order correlation: Age of the customer * Overall grade of customer service

From the table above, it can be seen that there is no statistically significant correlation between the age and overall grade variables, since the sig.0.523>0.05. Therefore, the age of the respondent does not influence the given overall grade.

9.9 Analysis of the results

Overall, the results of the survey were very positive. The most informative results can be seen from the questions with a Likert-type answering format that allowed the participant to answer in varying degrees in each statement. The use of SPSS gave a chance to analyze the results more deeply.

With crosstabulation it made it easier to interpret how the responses were divided between different groups. Tables 10 and 11 that represented the likelihood of repurchasing among different respondents who were grouped by visiting frequency, gave a good insight to customer satisfaction, since the respondents who were visiting the store more frequently were also more likely to repurchase again. Returning customers is a sign of having, at least to some extent, satisfied and loyal customers.
The statements and their importance for the participants were individually presented in the Graphs 3 and 4. Both of these graphs gave good individual and general information about the situation. By comparing and analyzing these results with the Wilcoxon signed-rank test, it gave more information if there is any statistically significant difference between the perceived service and how important these aspects are for the respondents. As seen from the results presented in the Chapter 9.5, there is no statistically significant difference. Therefore, it can be thought of that the perceived service more or less matched the importance level. Since the “How important” aspects give some direction to what the respondents value in service, it can be seen that, on some level, the perceived service matches the experiences of the respondents.

The Net Promoter Score gave the best answer to the current satisfaction level of the Company X. Having the Net Promoter Score over the industry average strengthens the point that the Company X has some loyal and satisfied customers who are also likely to spread positive word of mouth of the company as well. There was a in total of three ten-point scale questions. From all of these questions average grade was close to 9, which yields a high customer satisfaction among the participants.

10 Suggestions for the Company X

As mentioned earlier, based on this research it seems that the customers of the Company X are mostly satisfied with the current services and products provided. One development point for the Company X based on the results could be looking into the opening hours and evaluating if they need to be changed in one way or another. Another statement that had remarkably more disagreement than other statements was about the store’s coziness (e.g. the overall atmosphere of the store). Since Company X belongs to a franchise business, there are only a few things that can be done regarding the overall atmosphere. Major changes, for example, in décor cannot be made. Instead there are other ways of affecting the overall atmosphere: checking if the lights are sufficient or if the music is not too loud or quiet.
The key thing is to focus on the good and what is already working in the Company X since based on the results of this survey it is working. Tweaking some of the suggestion points can lead to even more satisfied customers and it is something that should be looked into.

In addition, to ensure that the promising customer satisfaction level will remain stable or improve further, customer satisfaction surveys would be great to perform in the future as well. At least following up on the Net Promoter Score will be a great indicator of the current customer satisfaction levels. If in the future a similar or the same kind of survey will be performed, a larger sample size should be advisable in order to guarantee the reliability of the results.

11 Conclusions

The objective of this study was to find out the means on how to further improve the customer satisfaction in the Company X. This meant finding out the current customer satisfaction level in the Company X and the means to improve it. To further study the matter a literature review was done and a customer satisfaction survey was performed.

Based on the literature review, customer satisfaction is indeed a focal point for every company, especially operating in the service industries. Defining customer service and measuring it creates challenges, since satisfaction is individually experienced and it is always customer dependent, meaning that each customer has different values and expectations and they see satisfaction differently.

Defining service quality creates challenges as well, since like customer satisfaction, what customers deem as quality is dependable on the individual customer. Often it is seen that service quality and customer satisfaction are paralleled as synonyms, when in reality service quality is only one part affecting customer satisfaction. Both customer satisfaction and service quality are not experienced an one-dimensional way. The perceived satisfaction and quality levels are both dependable on the expectations that are formed pre-hand in the customer’s mind. The perceived services are then reflected on the expectations and the satisfaction level is determined.
Based on the results from the customer satisfaction survey, it can be seen that among the participants, the customer satisfaction level was very good. The statements gave more specific information about where to focus efforts in order to continue to maintain and increase the customer satisfaction level. The ten-point answer scale questions gave more of a general understanding of the customer satisfaction level and on to some extent level about customer loyalty.

How to further improve the customer satisfaction in the Company X would be focusing on the statements that were not so strongly agreed on among participants in this survey. Since the current customer satisfaction level is already on a good level, there is no need for drastic operational changes in order to improve the customer satisfaction levels.
Figures

Figure 1. Customer expectations vs. perceptions, p. 11
Figure 2. Factors influencing customer satisfaction, p. 14
Figure 3. Two quality dimensions, p. 22
Figure 4. Total perceived quality, p. 23
Figure 5. Five quality dimensions, p. 26
Graphs

Graph 1. Age distribution between respondents, p. 32
Graph 2. How often visiting the store, p. 33
Graph 3. Statements, p. 39
Graph 4. Importance of different customer satisfaction aspects, p. 40
Graph 5. How likely to recommend to a friend or a colleague, p. 51
Graph 6. Overall grade for customer service, p. 52
Tables

Table 1. Crosstabulation and chi-square test: Greeting when entering*Overall grade of customer service, p. 35
Table 2. Crosstabulation and chi-square tests: Wanted products were available*Overall grade of customer service, p. 36
Table 3. Crosstabulation and chi-square tests: Order was fulfilled correctly*Overall grade of customer service, p. 38
Table 4. Wilcoxon test, friendly service, p. 41-42
Table 5. Wilcoxon test, fast service, p.42-43
Table 6. Wilcoxon test, helpfulness of the staff, p.44
Table 7. Wilcoxon test, good product knowledge of the staff, p. 45
Table 8. Wilcoxon test, tasty products, p.46-47
Table 9. Wilcoxon test, store cleanliness, p.47-48
Table 10. Crosstabulation: How often visiting the store*How likely to make a repurchase, p. 48
Table 11. Spearman’s rank order correlation: How often visiting the store*How likely to make a repurchase, p. 50
Table 12. Crosstabulation: Age of the customer * Overall grade of customer service, p. 53
Table 13. Spearman’s rank order correlation: Age of the customer * Overall grade of customer service, p.54
List of references


Appendix 1. Survey questions (English translation)

Service

1. I was greeted when entering the store
   1 Yes
   2 No
   3 I do not know

2. The products that I wanted were available
   1 Yes
   2 No
   3 I do not know

3. My order was fulfilled correctly
   1 Yes
   2 No
   3 I do not know

Circle one option. 4=Strongly Agree, 3= Agree, 2= Disagree, 1= Strongly disagree, 0= I do not know

4. Service was friendly
   4 3 2 1 0

5. Service was fast
   4 3 2 1 0

6. Service was smooth
   4 3 2 1 0

Staff

7. Staff was helpfull
   4 3 2 1 0

8. Staff has good product knowledge
   4 3 2 1 0

9. My wishes were recognized
   4 3 2 1 0

Products and store

10. Products were tasty
    4 3 2 1 0

11. Product matched my expectations
    4 3 2 1 0

12. Products have good price-quality
    4 3 2 1 0
13. Store is clean
14. Store has good atmosphere
15. Store has suitable opening hours

How important is…

Circle one option. 4=Very important, 3=Quite Important, 2=Not so important, 1=Not at all important, 0=I cannot say

16. Friendly service
17. Fast service
18. Helpfulness of the staff
19. Good product knowledge of the staff
20. Tastiness of products
21. Cleanliness of the store

Customer satisfaction

10=Very likely/Excellent, 0=Very unlikely/Poor

22. How likely will you revisit our store?

0 1 2 3 4 5 6 7 8 9 10

23. How likely are you to recommend us to your friends or working colleagues?

0 1 2 3 4 5 6 7 8 9 10

24. Which overall grade would you give to our customer service?

0 1 2 3 4 5 6 7 8 9 10
25. Age ________

26. With whom were you visiting the store?
   1 Family
   2 Partner
   3 Working colleagues
   4 Friends
   5 Alone

27. How often do you visit our store?
   1 Once a week or more
   2 1-3 times per month
   3 1-3 times in three months
   4 Once in half a year or less
   5 This was first time visiting our store

28. Time of the visit?
   1 before 11am
   2 between 11am and 2pm
   3 between 2pm and 6pm
   4 after 6pm

What feedback would you like to give to us?
If you want to take part in the lottery, please leave your contact information below (name and number):
Appendix 2 Survey questions in Finnish

**Palvelu**

1. Minua tervehdittiin heti liikkeeseen tullessani
   1 Kyllä
   2 Ei
   3 osaa sanoa

2. Haluamani tuotteet olivat saatavilla
   1 Kyllä
   2 Ei
   3 osaa sanoa

3. Tilaukseni oli täytetty oikein
   1 Kyllä
   2 Ei
   3 osaa sanoa

Ympyröi yksi vaihtoehto. 4=Täysin samaa mieltä, 3= Melko samaa mieltä, 2= Hieman eri mieltä, 1= Täysin eri mieltä, 0=en osaa sanoa

4. Palvelu on ystävällistä
   4 3 2 1 0
5. Palvelu on nopeaa
   4 3 2 1 0
6. Palvelu on sujuvaa
   4 3 2 1 0

**Henkilökunta**

Ympyröi yksi vaihtoehto. 4=Täysin samaa mieltä, 3= Melko samaa mieltä, 2= Melko eri mieltä, 1= Täysin eri mieltä, 0=en osaa sanoa

7. Henkilökunta on avuliasta
   4 3 2 1 0
8. Henkilökunnalla on hyvä tuotetuntemus
   4 3 2 1 0
9. Toiveeni otettiin hyvin huomioon
   4 3 2 1 0

**Tuotteet ja myymälä**

Ympyröi yksi vaihtoehto. 4=Täysin samaa mieltä, 3= Melko samaa mieltä, 2= Melko eri mieltä, 1= Täysin eri mieltä, 0=en osaa sanoa

10. Tuotteet ovat maistuvia
    4 3 2 1 0
11. Tilaamani tuote vastasi odotuksiani
    4 3 2 1 0
12. Tuotteiden hinta-laatusuhde on hyvä
    4 3 2 1 0
13. Myymälä on siisti 4 3 2 1 0
14. Myymälä on viihtyisä 4 3 2 1 0
15. Myymälän aukioloajat ovat hyvät 4 3 2 1 0

**Kuinka tärkeänä pidät...**

Ympyröi yksi vaihtoehto. 4=Todella tärkeänä, 3=Melko tärkeänä, 2=En kovin tärkeänä, 1=En lainkaan tärkeänä, 0=en osaa sanoa

16. Palvelun ystävällisyys 4 3 2 1 0
17. Palvelun nopeus 4 3 2 1 0
18. Henkilökunnan avuliaisuus 4 3 2 1 0
19. Henkilökunnan hyvä tuotetuntemus 4 3 2 1 0
20. Tuotteiden maistuvuus 4 3 2 1 0
21. Myymälän siisteys 4 3 2 1 0

**Asiakastyytyväisyyds**

10= erittäin todennäköisesti/erinomainen, 0=erittäin epätodennäköisesti/välttävä

22. Kuinka todennäköisesti tulette asioimaan uudestaan liikkeessämme?

  0 1 2 3 4 5 6 7 8 9 10

23. Kuinka todennäköisesti suosittelisit meitä ystävällesi tai työkaverillesi?

  0 1 2 3 4 5 6 7 8 9 10

24. Minkä kokonaisarvosanan antaisit asiakaspalvelustamme?

  0 1 2 3 4 5 6 7 8 9 10

**Taustatietoja**
25. Ikä _______  Ympyröi yksi vaihtoehto

26. Kenen kanssa asioit?  
1 Perheen  
2 Puolison  
3 Työkavereiden  
4 Ystävien  
5 Yksin

27. Kuinka usein asioit liikkeessämme?  
1 Kerran viikossa tai useammin  
2 1-3 kertaa kuukaudessa  
3 1-3 kertaa kolmessa kuukaudessa  
4 Kerran puollessa vuodessa tai harvemmin  
5 En ole aikaisemmin asioinut liikkeessään

28. Asioinnin aika?  
1 ennen klo 11  
2 klo 11-14  
3 14-18  
4 klo 18 jälkeen

Mitä palautetta haluaisitte antaa meille?

________________________________________________________________________________________
________________________________________________________________________________________
________________________________________________________________________________________
________________________________________________________________________________________
________________________________________________________________________________________

Mikäli haluatte osallistua arvontaan, olkaa hyvä ja täyttäkää yhteystietonne (nimi ja puhelinnumero):

________________________________________________________________________________________