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EVALUATION OF CUSTOMER SERVICE AND RESOURCE USAGE FOR THE HARBOUR OFFICE OF KUOPIO

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Tiivistelmä

Opinnäytetyön tavoite oli koota ja arvioida tietoa Kuopion satamatoimiston asiakkaista, toimiston halutusta sijainnista ja resurssien tarpeesta etenkin talvisäilytyspaikkojen osalta. Lisäksi taustatiedot valottivat asiakassegmenttejä. Tarkoituksena oli lisäksi tarjota materiaalia satamatoimiston nykytilasta tiedoksi Kuopion kaupunkirakennelautakunnalle, mikä on päättämässä toimiston tulevaisuudesta.

Määrällinen tutkimusmenetelmä valittiin ajan ja käytössä olevien resurssien vähyyden vuoksi. Ensisijainen asiatieto kerättiin kyselylomakkeella mikä oli ensimmäisen kerran saatavilla Kallavesj-näyttelyssä huhtikuussa 2010 ja elokuun 2010 loppuun asti kysely oli täytettävissä satamatoimistolla. Tietolähteenä käytettiin lisäksi kirjoja, artikkeleita, keskusteluja, työkokemusta ja havainnointia satamatoimistolla.

Opinnäytetyö sisältää palvelumarkkinoinnin teoriakatsauksen ja tutkimuksen analysoinnin. Tulokset olivat odotusten suuntaisia. Tutkimuksen mukaan satamatoimiston perusasiakas on iältään ja tulotasoltaan keskivertosuomalainen, veneily on kuitenkin miesvaltainen harrastus. Satamatoimiston sijainti on ihanteellinen asiakaspalvelun kannalta ja talvisäilytyspalvelua pidetään tärkeänä.

Asiasanat

veneily, asiakaslähtöisyys, palvelumarkkinointi

Huomioitavaa

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Abstract

The objective of the thesis was to collect and evaluate information on the harbour office of Kuopio’s customers, service point location and the resources needed for particularly to winter storage service. In addition the demographic data elucidated customer segments. Additional function of the material was to provide information about harbour offices current situation to the technical board of Kuopio which is deciding on the office’s future.

Quantitative research method was chosen because of the time and resource limitations. The primary data was collected through a questionnaire which was first available at the Kallavesj-exhibition in April 2010 and until the end of August it was available at the harbour office. Secondary data source consisted of articles, books, discussions, work experience and observation at the harbour office.

The thesis includes services marketing theory review and analysis of the research. The results were close to what was expected. Basic customer of the harbour office is an average Finn according to age and income level data, however boating hobby is very male dominant. The location of the harbour office is ideal from customer service point of view and the winter storage service is considered important.

Keywords

boating, customer orientation, services marketing

Note

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1 INTRODUCTION

The thesis consist of two main parts; firstly there is a theoretical review focusing on services marketing and secondly the study of the harbour office customers. The executive organisation was harbour office of Kuopio and the research was done in co-operation with its personnel. The results are presented with tables and charts and the effects are discussed from customer-oriented point of view. Other source of information was work experience gained during work placement period from the beginning of April to the end of August in 2010 and working again at the harbour office from the beginning of May to the end of July in 2011. Discussion part adduces some conclusions, thoughts about boating in Kuopio taking the results into consideration and possible issues that could be studied further.

1.1. The harbour office of Kuopio

Harbour office of Kuopio is a small unit located at the main passenger harbour of the city. The office has been in the same building for over 130 years. The main functions of the office are renting berths and rowboat shore places for boats and maintenance of the docks, rowboat shores and winter storage areas. It also organizes the freight traffic through Kumpusalmi freight harbour. In addition, local fishing licenses, fishing information and maps can be obtained from the office. Furthermore, the harbour office rents berth spaces for the professional passenger ships and fishing boats. It is a municipal service provider and the profits are used to maintain the services.

The harbour office personnel include the harbour master and secretary. Maintenance personnel working for the harbour office are under different department, there are mainly three persons working during the most active period, namely spring and summer. Usually there is one intern in the office during summer and 2-3 summer helpers or interns at the maintenance department for the harbour’s use. Two maintenance personnel work throughout the year. During the quieter period the harbour office prepares for the next season by arranging and updating data bases, invoicing, creating statistics, budgeting, evaluating the current situation and planning needed repairs etc. The rental list has been to date a paper version which has been manually updated to a computer program but there will be a new system build for the harbour offices needs and hopefully eases the backlog during spring.

There are about 5300 berths and rowboat shore places for boats around the city and nearby areas. The utilization rate of berth places was 88.1 % and rowboat places 74.4 % in 2009. In 2010 the rate of the rented rowboat places rise to 75.5 %, the rate of the rented berth places stayed the same. The winter storage utilization rate was 77.1 % in 2009 but dropped slightly in 2010 reaching to 74.2 %. There is altogether 11 winter storage fields around Kuopio area, however, one (Maljalahti) will be permanently closed after May 2012. New apartment buildings will be located on that field. The harbour of Kuopio is one of the largest freshwater harbours in Finland when considering the amount of individual spaces for boats (Lehtonen 2011).

The tendencies of the demand for berth and rowboat places are documented in the harbour offices statistics. Over the past twenty-five years there has been a steady growth on the rented rowboat places, however, renting of berth places have declined slightly. The most dramatic decline occurred during the early nineties when the recession hit Finland. During the following years the figures have not reached the peak years of the late eighties when the utilization rate was nearly 100 %. Nevertheless, the berth place renting is showing signs of recovery. Freight traffic through the Kumpusalmi freight harbour has declined during the past few years. During the 1990’s the average amount of vessel visits per year was 134 but in the past ten years the count has dropped to average of 95 vessel visits per year. (The harbour office archives 2011)

The harbour offices customers comprise mainly of boat owners and fishermen, other customers include passenger ship entrepreneurs, tourists, event organizers (the harbour master grants permits to different kinds of events happening on the city owned harbour areas) and entrepreneurs who have rented a place for booth on the harbour market square. The renting season starts in the beginning of May and the summer period is the most active time in the harbour office. Fishing licences are sold around the year.

Winter storage places are rented from the beginning of September. However, the autumn season is not as hectic as the spring since the time period is longer when the boaters hoist their boats out of the water whereas boaters are on the move in volumes during May. Small boats should be out of the water before the lake freezes, which ends the renting season. The customers receive an invoice from the harbour office in the beginning of the year, by paying the rent they can maintain their position for the next season as well. Otherwise the place is released to renting. The fright harbour Kumpusalmi opens in the spring after the icebreaker has opened the route and it can be open late in the beginning of winter season, depending on the ice forming in the Eastern Finland lakes.

1.2. The purpose of the study

The theory part converses on the concepts of services marketing on generic level. The focus is on how management strategies could improve the customer oriented approach. Customer behaviour and how it affects purchasing decisions is briefly explored. The theory review contains also details of services expectations and how the expectation levels influence the customer behaviour. Certain phenomena can influence customer satisfaction and perception of quality. These issues are discussed through a customer satisfaction research. Managing demand and capacity in service businesses is explained in one chapter and pricing of services is briefly addressed.

The theory part is kept relatively short since the concepts are generally easily understandable, such as marketing and services. More specific topics are unfurled in a simple form and keeping the public sector point of view in mind throughout the theory part was the course of conduct. Theories and other researches results are discussed with the questionnaires results.

The research was designed to generate information about how the harbour office customers use the services and their attitudes towards the service point location. The intention was to focus on the usage of berth, rowboat and winter storage spaces and find out the importance of the point of sales location to the customers. The information was gathered through a questionnaire during the spring and summer of 2010. Observation and discussions with the personnel supplemented the knowledge about the customers and the procedures of the public sector service.

The research included one question about fishing in addition to boating oriented questions. The idea was to illustrate the amount of customer service output the harbour office produces in addition to its main tasks concerning boating. Further investigation of the boating hobby was not necessary since this study aims to present resource usage and customer attitudes. The research was confined to specifically yield information that presents the current situation of the harbour office and to verify previously mentioned issues concerning resources and service.

2 SERVICE MARKETING IN CUSTOMER SERVICE

Commonly a service includes any activity or benefit that can be offered and is mainly intangible and does not lead in to ownership. In general the characteristics of services include intangibility, perishability, variability and inseparability. The challenge for managers is the intangible perspective of services and the reality that services include simultaneous production and consumption. It has been recognised that managers should have competence particularly in developing and improving their decisions and performing tasks. The competency of service managers is essentially important considering the characteristics and nature of services. (Gilmore, 1998)

In the search for continually effective service quality performance, identifying and developing the competencies of service managers will be intensely important. Management decision making involves managing the interaction of service activities and processes, people management, customer and personnel interactions, accessibility and timing, managing intangibles as well as differentiation. Managerial competence is relative to having the capacity to facilitate adaptive learning within dynamic and sometimes unstable organisational environments. (Gilmore, 1998)

Service industries and trade in services have grown enormous amounts in the world economies and therefore services marketing concepts and strategies have been developed. The service industries have become increasingly competitive and the need for better and more effective service management and marketing strategies have escalated. It has been suggested that company strategies that are focusing on customer satisfaction and service quality may be more effective than strategies focusing on improving revenues or cutting costs or trying to do these both at the same time (Zeithaml et al 2009, 6-10).

Pedersen and Rendtorff (2010) reflect on the economic efficiency in the public sector and offer some ideas to use private sectors operational model in public sector as well. They state that service-oriented corporation could be situated among other stakeholders rather than in the centre, as the traditional model of corporate citizenship within stakeholders management is depicted. In other words, the company is no longer in the centre of stakeholders but working together among them for the common good of society. Private companies' stakeholder management and business ethics comprise of values-driven management in order to operate with and adapt to the values and norms of the environment including the citizens' norms and values. Resulting from this the private organisations in service industry has developed better interaction with the environment and the citizens in it.

Pedersen and Rendtorff (2010) argue that the top managers of the public sector institutions have different management background and capabilities compared to the top managers in the private sector. They note that it is a challenge to acquire the experiences of the private service companies' management for the public institutions to learn. Furthermore, another challenge is to get the top management in public sector to attain such a high level of proficiency in values-driven and stakeholder management as the private sector is providing. In this perspective, using the private sector model could result in, for example, cheaper services.

The risk in the public sector is that the top managers do not deviate from old-fashioned management style and continue on the old path of in-efficient bureaucracy. This does not create any adequate balance between economic efficiency in the public sector and the core value of welfare states, consisting of the citizens' rights, needs and values (Pedersen and Rendtorff 2010).

2.1 Customer behaviour

Customer expectations and customer perceptions have an important part in services marketing. Customer expectations are benchmarks for performance against which the experiences of the customer are compared. These expectations are often created in terms of what a customer imagines should or will happen. Customer perceptions are subjective evaluations of the gained experiences in service situations (Zeithaml et al 2009, 48-50).

When choosing a particular service a customer follows a logical chain including need recognition, information search, evaluation of alternatives and purchase. Since the outcome of the purchased services may be unknown, the experience itself guides the assessment process and is critical when making a repurchase decision. It has been suggested that consumers' emotional reactions may be effective indicators of their loyalty, thus these responses could be measured additionally to traditional satisfaction and loyalty factors. Post experience assessments will make a notable influence on what customers tell others about the service. Personal opinions have a strong impact on consumers, therefore it is important for service companies to understand word-of-mouth communication (Zeithaml et al 2009, 51-69).

2.2 Service expectations

The first, and probably the most essential, step in offering quality service is to know what the customer expects. The customers' expectation level can vary extensively depending on the benchmarks or reference points the customer has for the service. Desired service expectations reflect on what the customer wants and adequate service level is the minimum level of service the customer is willing to accept (Zeithaml et al 2009, 74-80).

The desired level has two main factors; personal needs and lasting service intensifiers. Personal needs can be placed in several categories, such as physical, social, psychological and functional. The lasting service intensifiers include individual, stable factors which influence the customers' sensitivity to a particular service. For example, a customer may feel pressure to continue consuming a service by a social group such as relatives or friends. The desired service expectations can be influenced by precise and indirect service promises, word-of-mouth communication and customer's past experience (Zeithaml et al 2009, 80-82).

The adequate level is what the customer finds acceptable; the factors affecting it are short-term and have a habit for fluctuation. These include temporary service intensifiers, alternatives for the service and situations the service provider has no control over. The desired level is argued to be less liable to change than the adequate level. Customer type or experience background does not have effect on the source of expectations; they are the same for end customers, business customers and for product or service purchasers (Zeithaml et al 2009, 82-88).

2.3 Customer satisfaction and service quality

Since expectations are dynamic, the assessment may alter over time. What is considered quality service today may be something different tomorrow (Zeithaml et al 2009). Most commonly suggested outcome of the marketing process is a satisfied customer. According to Bennett and Rundle-Thiele (2004) marketing may have an effect on awareness, image perceptions and loyalty in addition to satisfaction. There can be also other issues affecting the purchase where satisfaction is not part of the decision, for example the lack of differentiated competitors. Therefore, customer satisfaction should not be the only objective for marketing professionals.

Considerable amount of discussion has been originated from the sequential order of the concepts of satisfaction and quality. Which one is supposed to be first? Westerbeek and Shilbury (2003) noted that research findings imply of cyclical relationship when comparing single encounter specific satisfaction and multiple encounter overall satisfaction and quality. They explain the perception as follows:

> *"Although perceived service quality is probably an antecedent to overall satisfaction during the first (single) service encounter, overall satisfaction will be one of the influencing factors on service quality expectations for subsequent (similar) encounters."*

Bennett and Rundle-Thiele's (2004) research confirms previously conducted studies that if customers experience distinct satisfaction they are likely to be reacting positively to the service quality and intend to repurchase. According to the research it becomes apparent that satisfaction and loyalty are different constructs. The satisfaction and loyalty levels can not be precisely predicted even though high level satisfaction can anticipate particular loyalty levels. Therefore, managers cannot rely solely on satisfaction scores to forecast the actual purchase. Bennett and Rundle-Thiele (2004) suggest that the managers should consider using other indicators of attitude as well.

2.4 Controlling demand and capacity

Zeithaml et al (2009) note that quality service providing organisations with capacity constrains have a natural tendency to balance utilisation at an optimum level. Over utilized or under utilized service can result in a failure to supply what was planned or determined. The lack of inventory capability is a relevant issue underlying supply and demand management in services. The inability to build up inventories during periods of slow demand for the busier time leads to a diversity of potential outcomes.

The level of demand may exceed capacity and customers have to be turned away or if the customers do not need to be turned away the quality of service may suffer nevertheless. When there is excess capacity it leads into loss of productivity and lower profits. However, customers may receive excellent service due to increased attention. For formulating suitable strategies for managing supply and demand the company must be aware of its demand patterns as well as limitations, such as time, labour, equipment and facilities. For demand patterns market segments and seasonal or more detailed (daily, weekly, monthly) fluctuation should be investigated. There are two general strategies for matching demand and supply. The first is to spread of the demand by persuading customers to use the service during period of slow demand. The second strategy is to modify capacity to match the fluctuations (Zeithaml et al 2009, 443-446).

2.5 Services and pricing

For goods and services there are reference price points in memory. It is comprised of prices last paid, most frequently paid or an average of prices a customer has paid for equivalent offerings. The reference prices of goods are generally remembered more accurately than the prices of services. Difficulties in comparing the prices of services can derive from several different reasons, for example service providers are unwilling to estimate prices in advance, customers needs vary or the information is excessively scattered and challenging to gather (Zeithaml et al 2009, 511-512).

Monetary price is not the only relevant price when customers are considering purchasing a service, state Zeithaml et al (2009). For instance customers may trade money for saving time when they value their time higher. Price can be a signal of service quality for customers searching cues according to pricing alone since it sets expectations of quality. Furthermore, it is not enough that the prices cover costs or match the competitors' prices, it must be adjusted to express suitable quality for the company.

Zeithaml et al (2009, 518-526) offer three models of pricing strategies. Firstly the cost-based pricing comprises of direct costs, overhead costs and profit margin. Challenges in this pricing strategy are not to position the price too low since the company has to be viable. Comparability is difficult due to heterogeneity of the services and the prices may not respond to customer value. Secondly there is the competition-based strategy. This pricing focuses on other companies' prices in the same field of industry or market. Difficulties in this tactic include complexity in tracing the costs, since labour is more complicated to price than materials. In addition, the costs may not correspond to the value customers relate to. Thirdly there is demand-based pricing. Customer perception of value is the basis of the pricing in this strategy. For the service provided the prices are comprised of what the customer is willing to pay. Challenges include difficulties adjusting the price to reflect the value of other than monetary costs and information on the costs of the service is shrouded.

3 THE RESEARCH OF CUSTOMER SERCIVE AND RESOURCES

The fundamental element of this study is the examination of the harbour office customers' stance for certain services and the location. The research was made to identify resource needs for the harbour office and to find out customers attitudes and preferences. The request and the idea for the research came from the harbour master Sami Lehtonen.

The data was collected through a questionnaire. The topic and the questionnaire were discussed with the harbour master and the questionnaire was done during work at the harbour office. Quantitative method was chosen because of the time schedule and limited resources available for the research. The questionnaire was first available at the Kallavesj exhibition on 9.-11.4.2010 and through the summer at the harbour office until the end of August 2010 during the work placement period. The sample of the research consisted of mainly harbour office customers and a handful of visitors from the exhibition. The research should therefore have relevance for boating service providers in the region. A total of 84 responses were received. Other sources of information include work experience, observation in the harbour office and the harbour offices archives.

The results are discussed as percentages for clarity reasons; however, it should be noted that due to the small sample size some percentages will appear more dramatic than the actual situation might be. Therefore the amount of each answer is also visible in the commented tables.

3.1 Research questions

The research questions consist of three main points. What is the usage of the winter storage areas? Firstly the need for winter storage service was examined in order to define its necessity as a municipal service. On what basis do the boat owners choose the services? Secondly if the winter storage service is or is not found necessary, the aspects that might affect these opinions were under study. What is the suitable physical location for the harbour office? The last point was to clarify the opinions about the harbour office service point location, whether it should remain at present location or somewhere else.

3.2 Purpose of the research

The research was designed to depict the harbour office customers service usage and attitudes. The aim was to identify the opinions of the harbour office customers; the need for the winter storage service and the desired service point location. The focus was on the usage of berth, rowboat and winter storage spaces and finding out the importance of the point of sales location to the customers. The idea was to illustrate the amount of the harbour offices produces services and the demand towards the services.

The research was confined to specifically yield information that presents the current situation of the harbour office and to verify previously mentioned issues concerning resources and service. In addition, useful information for pricing tactics can be differentiated from the background information given by the respondents. The results have been informed to the technical board of Kuopio as background information for the use in decision making process concerning the harbour offices services and location.

The harbour master needed actual numbers in order to find support to his view of the harbour offices situation. This study provides clear figures for decision making and analysis of the essential factors in the harbour offices current state.

4 RESULTS AND CONCLUSIONS

The results were leaning to the direction what was expected. From the demographic information can be seen, that the profile of the boat owner is not an elitist. Majority belong to the category of an average Finn, when measuring age and wealth (Tilastokeskus 2007, 2011). From the respondents 83 % were citizens of Kuopio.

Similar results were found from the boater profile research done by Sievänen et al (2003). They found out that the typical person whose outdoor activity included row boating or motor boating (small boat with no bed) is from East or North Finland, rural or small populated area and are most likely employees or farmers. Their other outdoor activities are traditional berry picking, fishing and hunting. Being among the older age groups reflects their belonging to the generations whose leisure time habits are strongly connected to the traditional everyday life in the countryside. These characteristics are very similar to what the results of this new research have indicated.

4.1 Basic information about the respondents

The difference between sexes is evident; from the respondents 24 % is female and 76 % male (Figure 1.). Similar findings were done by Sievänen et al. (2003) In addition, they state that only among the row boaters females were dominant, but in other situations boating is a very male-dominated hobby.

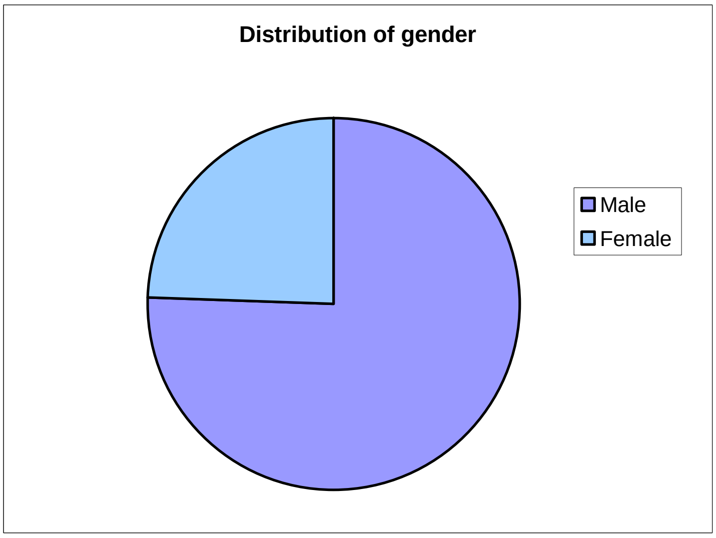

Figure 1. Distribution of gender

The boaters profile study (Sievänen et al 2003) also indicated that the East and North Finland boaters belong to the older generations, this result supports the findings from the respondents' demographic information (Figure 2.).

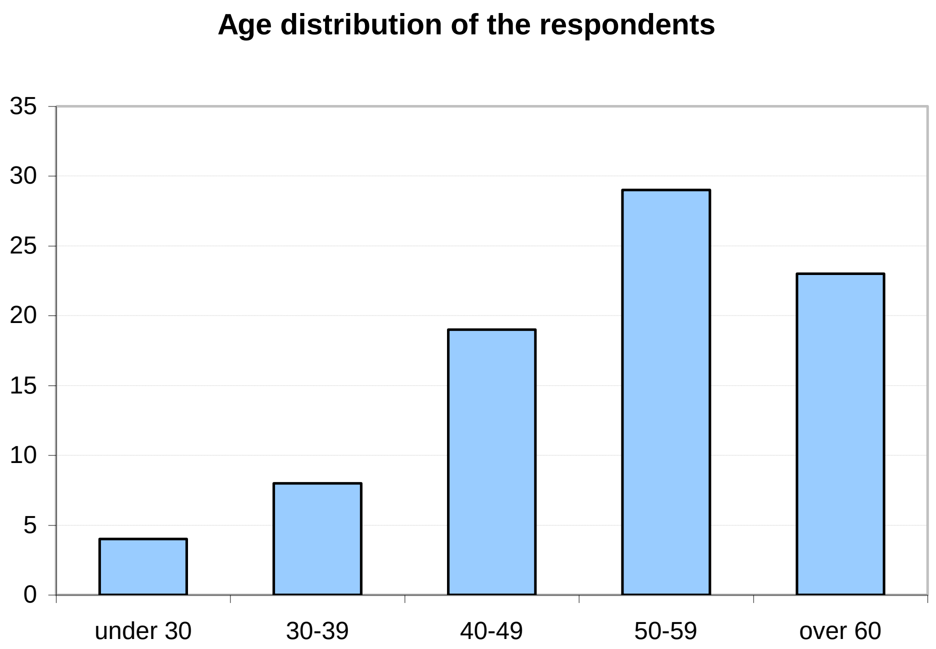

Figure 2. Age distribution of the respondents

The results of the amount of fishing licenses sold from the harbour office match the bureau of fisheries estimate. 60 % of the respondents reportedly take interest in fishing and from these 78 % buy their fishing licenses from the harbour office. The bureau of fisheries estimation was around 70 %. The council and bureau centres customer service sells the licenses as well but only 8 % of the respondents retrieved their license there. 15 % bought the license from other places, such as the internet or privately owned fishing grounds.

4.1.1 Winter storage

Most of the respondents' boats (68 %) are at the city's offered docks or land space during the summer season, other locations for boats were the yacht club (12 %) and own places such as summer cottages (20 %). The numbers shift towards the own location (45 %) in the winter storage question, where city's winter storage service was used slightly less (42 %). Yacht club stays close the same percentage than in the summer locations question (13 %) (Table 1).

Opinions on winter storage service within boat owners and non-boat owners					
			Yes	No	
Do you think the winter storage service is needed	as a public service?	Count	48	4	52
		% within owning a boat	69,6 %	66,7 %	69,3 %
	as a private service?	Count	1	0	1
		% within owning a boat	1,4 %	,0 %	1,3 %
	The service provider has no significance.	Count	20	2	22
		% within owning a boat	29,0 %	33,3 %	29,3 %
Total		Count	69	6	75
		% within owning a boat	100,0 %	100,0 %	100,0 %

Table 1. Opinions on winter storage service within boat owners and non-boat owners

The cross tabulation from question 9. and 5.b (Table 2.) indicate that the winter storage service provided by the harbour office for certain type of boats is seen important. The respondents’ answers show similar results in the type of boats owned with the boater profile research done by Sievänen et al. In this area small motor boats and rowing boats are most popular.

Most of the harbour offices winter storage areas are designed for these types of small boats. The capacity has been sufficient so far; however, unavoidable changes in the main passenger harbour will have an impact on the capacity in the near future due to residential area spreading closer to the lakeshore.

How the type of the boat owned affects the opinion on winter storage service							
			Type of boat owned				
			rowboat	motorboat	sailboat	other	Total
Do you think the winter storage service is needed	as a public service?	Count	10	25	6	3	44
		% within what kind?	71,4 %	67,6 %	75,0 %	75,0 %	69,8 %
	as a private service?	Count	0	0	1	0	1
		% within what kind?	,0 %	,0 %	12,5 %	,0 %	1,6 %
	The service provider has no significance.	Count	4	12	1	1	18
		% within what kind?	28,6 %	32,4 %	12,5 %	25,0 %	28,6 %
Total		Count	14	37	8	4	63
		% within what kind?	100,0 %	100,0 %	100,0 %	100,0 %	100,0 %

Table 2. How the type of the boat owned affects the opinion on winter storage service

4.1.2 Service point location

It is quite obvious that the customers of the harbour office want the service point location to stay at its current place. Overall 93.8 % from the respondents thought that the location should be in the harbour. Even the non-boat owners clearly expressed this view (Table 3.). In addition, the fishing licence buyers use the harbour office services frequently. This indicates that the service is available in a suitable location for the customers.

It has been noted from previous researches that there are connections between boaters' background, the environment and the experiences from the hobby. Based on the information gained from the use of the natural waterways for relaxation studies it has been suggested that people might choose first the environment for leisure and after that the mode of a hobby. Recognising and verifying these connections is essential from the environments and services providers' point of view. Therefore, in boating the significant guiding factors are natural waterways' nearness and boating services supply (Sievänen et al 2003).

Considering these factors, the service point location is essential to maintain customer satisfaction and to be easily accessible for those who are planning on purchasing a boat. The location is also in accordance with the strategy of the city of Kuopio, where customer orientation is one key issue (city of Kuopio 2011).

Opinion on location of the harbour office within boat owners and non-boat owners

			Yes	No	
Harbour office service point should be located	Passenger harbour (current location)	Count	70	6	76
		% within owning a boat	94,6 %	85,7 %	93,8 %
	Council and bureau centre (Suokatu 42)	Count	3	1	4
		% within owning a boat	4,1 %	14,3 %	4,9 %
	Other location	Count	1	0	1
		% within owning a boat	1,4 %	,0 %	1,2 %
Total		Count	74	7	81
		% within owning a boat	100,0 %	100,0 %	100,0 %

Table 3. Opinion on location of the harbour office within boat owners and non-boat owners

4.1.3 Data for pricing assessment

From the background information about the respondents it can be seen that the income level of the households (Figure 3.) has similar trend that the general income level in Finland (Tilastokeskus 2011). This indicates that public boating services pricing should be on an affordable level, it is not a niche that could be used as such for major revenues. Even though there is very little competition in the boating services concerning basic berth and rowboat places the harbour office pricing in Kuopio have remained moderate when comparing with other cities harbours' pricing in East Finland (city of Joensuu, city of Savonlinna 2011).

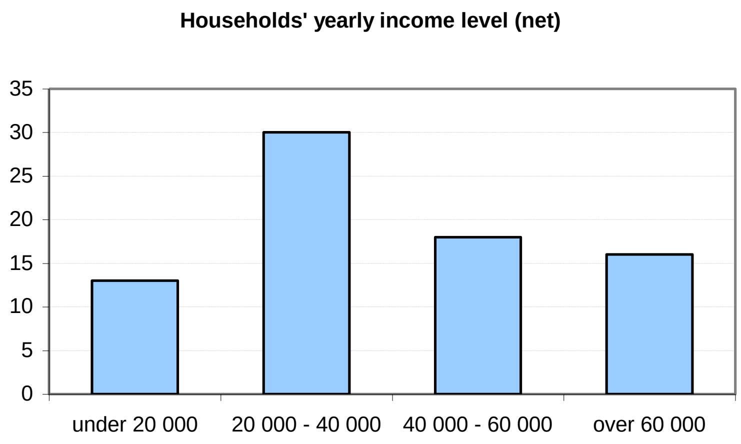

Figure 3. Households' yearly income level (net)

The cross tabulation between questions 9. and 4. in the questionnaire gives information about the opinions of the need for the winter storage service according to yearly households income level. The weight of the respondents' answers from all categories is on the side of supporting the harbour office provided winter storage areas (Table 4.). This might suggest that the respondents are price conscious and not willing to pay demand-based prices from private sectors winter storage services.

How income level influences opinion on winter storage service

			Households yearly income level (net)				
			under 20 000	20 000 - 40 000	40 000 - 60 000	over 60 000	Total
Do you think the winter storage service is needed	as a public service?	Count	10	18	11	9	48
		% within households yearly income level	83,3 %	69,2 %	61,1 %	60,0 %	67,6 %
	as a private service?	Count	0	0	1	0	1
		% within households yearly income level	,0%	,0%	5,6%	,0%	1,4%
	The service provider has no significance.	Count	2	8	6	6	22
		% within households yearly income level	16,7 %	30,8 %	33,3 %	40,0 %	31,0 %
Total		Count	12	26	18	15	71
		% within households yearly income level	100,0 %	100,0 %	100,0 %	100,0 %	100,0 %

Table 4. How income level influences opinion on winter storage service

4.2 Effects

If boating services are not easily available, people tend to switch their hobby into something that gives similar satisfaction (Sievänen et al 2003). This could mean the overall boating hobby decline in the area and an image loss for the whole lake system environment. In addition, according to the respondents’ answers, when selecting a suitable berth or rowboat place, the location was the main reason which determined the renting. Pricing was considered secondly important factor and additional services positioned last.

Service point location does not have effect only to boating but fishing as well since the harbour office is providing fishing licences and information for customers. Around 70 % of the fishing licences for the city owned water area are written at the harbour office according to the bureau of fisheries (Pekkarinen 2011). In 2010 the amount of fishing licences at Kuopio was about 3000 (Savon Sanomat 2011).

Winter storage situation can have a vast effect on the whole Kuopio area, if there is not enough capacity, the surplus of boats will emerge in somewhere else, for example private and public parking lots.

5 DISCUSSION

Easy access to the boating services and providing the needed services may have a positive effect on the image of the area. It can be used to market the area to individuals and companies. Having a well functioning harbour service structure may enhance citizens' satisfaction to leisure time possibilities and could be a flagship in tourism promotion. Keeping in mind the new residential area Saaristokaupunki, these ideas could be applied in practise. Many of the areas inhabitants have asked about the harbour services in that particular area and currently the demand exceeds supply in southern Kuopio especially in berth places. Further, the building of new apartments near the lakeshore in Maljalahti removes a number of the winter storage places and has effect on the berths as well. These changes may have significant effect on the demand of berth places in other shores and has severe impact on the boating hobby. Maljalahti has been the only one with proper means for boat maintenance on the city owned harbour areas.

The harbour office service point is functioning in a very customer oriented way in accordance with to the strategy of the city (city of Kuopio 2011). If the harbour office activities are scattered, in other words the personnel would not be working in same place, the functionality and customer orientation will not be attained. The small unit and the personnel are easily approachable for the customer. However, criticism has been expressed particularly about the opening hours of the harbour office and the parking arrangements in the passenger harbour. This research did not cover customer satisfaction issues very deeply and further research could be done to adhere to the customer satisfaction factors in more detail.

In addition, some problematic issues have not been included, such as possibilities of the freight harbour's marketing and development, the ending of boat maintenance on Maljalahti winter storage area or the scarcity of resources to adjust rowboat shores to be better suitable for the use. Further, new issues have emerged when Karttula joined Kuopio in 2011 and Karttula's boating services transferred to the harbour office of Kuopio. If a new study would be commenced, these could be some of the issues to be paid attention to.

The study of Sievänen et al (2003) could be used as basis for developing more detailed profiles to the use of local operators in the region. Knowing the profiles for boaters can sharpen the boating services providers supply and thus enhance boaters' leisure time possibilities and in the same time support the development of boating and tourism related functions in the area. This paper did not discuss the visiting boaters' services. Therefore, further studies are needed for finding the answers to what the situation of them at present is and how to enhance harbour services for visiting boaters.

During the work experience period in the harbour office in 2010 gave some hints about the risk of falling a victim to bureaucracy and working at the harbour office again in 2011 have confirmed the previous observations. It seems that the top managers do not have adequate information or are forced to follow preceding decisions without an option for change. This has put the harbour office in a disadvantageous position and the years of experience in serving the boaters is about to dissolve if the top managers mangle their decisions into effect. They are planning on moving the harbour office services to the council and bureau centre – away from the passenger harbour and into the city centre (Kaupunkirakennelautakunta 2011). This has to do with cutting costs, however, as Zeithaml et al (2009) have noted, this move may in fact fail. The cut amount may dilute if customers vote with their feet. The impact on image can be only guessed.

The timetable of the research was not ideal since the questionnaire had to be ready in a very short period of time. There was not enough time to fully prepare the ideas and to structure the questions. Some of the questions would have worked better with a little modification if the schedule would not have been as tight, however, the needed information could be gathered from the data. Additionally, the amount of respondents could have preferably been larger. It is the other issue that would be changed if this study was on that stage again.

Doing the work experience period at the same time helped to understand the customers and gave better instruments to work with the study. Some insights might have not been formed without observation and discussions with the personnel. The most demanding part was to bring all the thoughts to a compact form.

The study contains all the parts in a tight package, however, the gaps between concentrating on writing the thesis has been challenging and keeping the focus on the right issues was wearing. The theory part came after the research, this reversed order gave some unexpected difficulties in embedding it all to the study. The background information consists mostly of articles. Up-to-date literature was hard to find, therefore the services marketing book by Zeithaml et all have been the cornerstone of the study. There have been plenty of articles and literature from the 70's and 80's theories and practises but they did not suite the purpose.

Focus on public sector added some extra challenge since many of the researches and articles have been from businesses point of view. However, the harbour office functions very much like a business given the specific field they comprise of. That helped the process of embedding the ideas and concepts into this study.

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APPENDIX 1 Questionnaire

ASIAKASKYSELY

Tällä kyselyllä kartoitetaan Kuopion satamatoimiston resurssitarpeita. Kyselyn toteuttavat Kuopion satamatoimisto ja Savonia ammattikorkeakoulun opiskelija Tiina Munde.

1. Olen ☐ Nainen ☐ Mies

2. Ikä ☐ alle 30 ☐ 30-39 ☐ 40-49 ☐ 50-59 ☐ yli 60

3. Asuinpaikka ☐ Kuopio: ____

☐ ulkopaikkakunta: ________________________________

4. Talouden vuositulotaso ☐ alle 20 000 € ☐ 20 000-40 000 €

☐ 40 000-60 000 € ☐ yli 60 000 €

5. a) Omistatteko veneen? ☐ Kyllä ☐ En (siirry kysymykseen 8.)

b) Millaisen? ☐ soutuvene ☐ moottorivene ☐ purjevene

☐ muu, mikä? ____________________________________

6. Missä veneenne sijaitsee kesäisin?

☐ kaupungin venepaikalla

☐ pursiseuran venepaikalla

☐ muualla, missä? ________________________________

7. Missä säilytätte venettänne talvisin?

☐ kaupungin venepaikalla

☐ pursiseuran venepaikalla

☐ muualla, missä? ________________________________

8. Millä perusteella valitsette venepaikan? Merkitse tärkeysjärjestykseen. (1=tärkein – 3=vähiten tärkeä)

____ sijainti _____ oheispalvelujen saatavuus ____ hinta

9. Koetteko talvisäilytyspalvelun tarpeelliseksi

☐ kaupungin järjestämänä? ☐ yksityisen järjestämänä?

☐ palvelun tarjoajalla ei merkitystä

10. a) Kalastatteko? ☐ Kyllä ☐ En

b) Mistä hankitte kalastusluvat?

☐ satamatoimistolta ☐ valtuusto-virastotalolta

☐ muualta, mistä? ________________________________

11. käytättekö satamatoimiston palveluja? ☐ kyllä ☐ en

12. Missä satamatoimiston palvelupisteen tulisi mielestänne sijaita?

☐ matkustajasatamassa (nykyinen paikka)

☐ valtuusto-virastotalolla (Suokatu 42)

☐ muualla, missä? ________________________________

Kiitos vastauksestanne!