



Wen Cao

Customer Satisfaction Research of Suning Appliance

Business Economics and Tourism

2012

ACKNOWLEDGEMENT

I would like to extend my deepest gratitude to Ms. Rosmeriany Nahan-Suomela, my supervisor, for her valuable advice and detailed guidance. This thesis could not be completed without her help. I really appreciate her directness, prompt replies and wealth of knowledge.

Special thanks to Mr Jiang, manager of Suning, for his support throughout the research. Meanwhile, I would like to send a thousand thanks to my interviewees, Li Na, Yin Jinting and Zhu Xu. Thank all of you for helping me conducting the research.

Finally, I would also like to thank my family and friends, Cao Sha, Cao Yuan, Zhang Yu, He Mengdi and Lin Tefu. I was so grateful for their company and encouragement during the whole process.

Vaasa, Finland

08.06.2012

Cao Wen

ABSTRACT

Author	Wen Cao
Title	Customer Satisfaction Research of Suning Appliance
Year	2012
Language	English
Pages	75+3 Appendices
Name of Supervisor	Nahan-Suomela, Rosmeriany

This thesis aims at investigating the customer satisfaction level of Suning appliance chain store in order to reveal the problems it may have and provide suggestions for improving customer satisfaction. The research focuses on new customers, current customers and lost customers on the basis of customer loyalty, customer retention and customer decay correspondingly.

For one thing, complaints of Suning appeared on the internet has increased significantly in recent years. For another, according to the latest report, the net income of Suning has decreased since 2010. There is a definite link between customer satisfaction and business success, especially in retail industry. Thus, it is quite necessary to do this research at the moment.

Both qualitative and quantitative methods were used in this thesis. Firstly, an interview with three new customers was held to discuss their attitudes towards Suning. Furthermore, an electronic questionnaire was distributed and 118 responses were collected. In addition, three lost customers were interviewed in order to investigate the reasons of customer decay of Suning. Afterwards, the questionnaire results were analyzed by SPSS and Excel. Besides, some of the findings were discussed together with a manager of Suning.

The results of this thesis provide useful information for the improvement of Suning's customer satisfaction both in theoretical and practical respects. According to the empirical finding, customers were comparatively more satisfied with the service rather than its products. More importantly, the poor after-sale services were the leading factors to customer decay.

Keywords	Customer satisfaction, Customer retention, Customer loyalty, Customer decay
----------	---

TIIVISTELMÄ

Tekijä Wen Cao
Opinnäytetyön nimi Asiakastyytyväisyystutkimus ja Suning Laite
Vuosi 2012
Kieli engelska
Sivumäärä 75+3 liitettä
Ohjaaja Nahan-Suomela, Rosmeriany

Tässä työssä pyritään tutkimaan asiakastyytyväisyyden tasoa Suning-laitteen myymäläketjussa, jotta voidaan paljastaa ongelmia ja tarjota ehdotuksia asiakastyytyväisyyden parantamiseksi. Tutkimus keskittyy uusien, nykyisten ja menetettyjen asiakkaiden asiakasuskollisuuteen ja asiakkaiden luottamuksen menettämiseen.

Ensinnäkin, Suningista internetissä tehtyjen valitusten määrä on lisääntynyt huomattavasti viime vuosina. Toiseksi, viimeisimmän raportin mukaan Suningin nettotulot ovat laskeneet vuodesta 2010. On havaittu selvä yhteys asiakastyytyväisyyden ja yrityksen menestyksen välillä erityisesti vähittäiskaupassa. Siten on aivan välttämätöntä tehdä nyt tämä tutkimus.

Sekä laadullisia että määrällisiä menetelmiä käytettiin tässä työssä. Ensin toteutettiin kolmen uuden asiakkaan haastattelut heidän suhtautumisestaan Suningiin. Lisäksi jaettiin sähköinen kyselylomake ja kerättiin 118 vastauslomaketta. Lisäksi kolmea menetettyä asiakasta haastateltiin, jotta voidaan tutkia syitä asiakkaan luottamuksen menettämiseen. Sen jälkeen kyselyn tulokset analysoitiin SPSS:llä ja Excelillä.

Opinnäytetyön tulokset voivat antaa hyödyllistä tietoa Suningille, jotta se voi parantaa asiakastyytyväisyyttään sekä teoriassa että käytännössä. Empiiristen havaintojen mukaan asiakkaat olivat suhteellisesti tyytyväisempiä Suningin palveluun kuin sen tuotteisiin. Vielä tärkeämpää on, että huonot huolto- ja myyntipalvelut olivat johtavia tekijöitä asiakkaan luottamuksen rappeutumiseen.

Table of Contents

ACKNOWLEDGEMENT	2
LIST OF FIGURES	8
LIST OF TABLES	9
LIST OF APPENDICES	10
1 INTRODUCTION	11
1.1 Background of the Study	11
1.2 Research Problems and Objectives	12
1.3 Methodology	13
1.4 The Limitation of the Research.....	13
1.5 Thesis Outline	14
2 THEORETICAL FRAMEWORK.....	16
2.1 Definition of Customer Satisfaction	16
2.2 Customer Analysis	17
2.3 Satisfaction Analysis.....	19
2.4 Importance of Customer Satisfaction.....	20
2.5 Measurement of Customer Satisfaction	22
2.5.1 Broad Objectives	22
2.5.2 Survey Types.....	23
2.5.3 Project Planning	25
2.6 Statues of Customer Reaction.....	26
2.7 Customer Retention	27
2.7.1 Value of Customer Retention.....	27
2.7.2 How to Increase Customer Retention	28
2.8 Customer Loyalty.....	28
2.8.1 Value of Customer Loyalty	29
2.8.2 How to Build Customer Loyalty	30
2.9 Customer Decay.....	31

2.9.1	Impact of Customer Decay.....	31
2.9.2	How to Decrease Customer Decay	33
2.10	Outline of Theoretical Framework.....	37
3	RESEARCH METHODOLOGY	38
3.1	Research Approaches.....	38
3.1.1	Quantitative Research	38
3.1.2	Qualitative Research	39
3.2	Sample Selection.....	40
3.3	Validity and Reliability	41
3.4	Limitations	42
4	EMPIRICAL FRAMEWORK.....	43
4.1	Overview of Suning Appliance.....	43
4.2	Group Interview of New Customers	44
4.2.1	Analysis of Group Interview 1	46
4.3	Questionnaire for Current Customers	47
4.3.1	Background Information of Respondents	48
4.3.2	Customers' Priorities.....	51
4.3.3	Suning's Overall Performance	53
4.3.4	Gap Analysis for Overall Performance	54
4.3.5	Product Classifications.....	55
4.3.6	Satisfaction in Communication Product Department.....	56
4.3.7	Gap Analysis for Communication Product Department	57
4.3.8	Satisfaction in Computer Department	58
4.3.9	Gap Analysis for Computers Department	59

4.3.10	Satisfaction in Consumer Appliance Department.....	60
4.3.11	Gap Analysis for Consumer Appliance Department.....	61
4.3.12	Overview of Opening Time	62
4.3.13	Overview of Customer Expectations	62
4.3.14	Overview of Recommendation Willingness	63
4.3.15	Analysis of Questionnaire	64
4.4	Group Interview of Lost Customers	64
4.4.1	Analysis of group interview 2	65
5	CONCLUSION	67
5.1.1	Suggestions for Increasing Customer Retention	67
5.1.2	Suggestions for Building Customer Loyalty.....	68
5.1.3	Suggestions for Decreasing Customer Decay	68
5.2	Recommendations for Further Studies.....	69
	REFERENCES.....	70

LIST OF FIGURES

Figure 1. The Income Statement of Suning, China, 2012 (4-traders.com, 2012)	12
Figure 2 . The process of the thesis	14
Figure 3 . The structure of the thesis	15
Figure 4. Customer perception survey and market standing survey for Suning.	24
Figure 5. Three statues of customer reaction.....	26
Figure 6 . Dissatisfied customers complaint behavior (Day & Landon, 1997)...	32
Figure 7. Service gaps (Hill & Alexander, 2000, 6).....	34
Figure 8 . Outline of Theoretical Framework.....	37
Figure 9. Sampling options (Hill & Brierley & MacDougall, 1999, 25)	40
Figure 10 . Gender distribution.....	48
Figure 11 . Age distribution.....	49
Figure 12 . Income level	49
Figure 13. Shopping preference.....	50
Figure 14. Shopping frequency	50
Figure 15. Gap analysis for overall performance	54
Figure 16 . Overview of product classifications (Q8)	55
Figure 17 . Gap Analysis for Communication Product Department	57
Figure 18 . Gap Analysis for Computers Department	59
Figure 19 . Gap Analysis for Consumer Appliance Department.....	61
Figure 20 . Overview of Opening Time (Q12).....	62
Figure 21. Overview of Customer Expectations (Q13).....	63
Figure 22 . Overview of Recommendation Willingness (Q14).....	63

LIST OF TABLES

Table 1 . Main research approaches (Berry &Parasuraman. 1997)	25
Table 2 . Types of loyalty (Hill & Alexander, 2000)	29
Table 3. Products classification. (Suning.com, 2012)	44
Table 4 . Interview plan for mystery shopping	44
Table 5 . Summary of Respondents Answers to the Group Interview 1	45
Table 6 . Overview of the customers' priorities	51
Table 7. Overview of overall performance	53
Table 8 . Overview of Satisfaction in Communication Product Department.	56
Table 9 . Overview of Satisfaction in Computer Department.	58
Table 10 . Overview of Satisfaction in Consumer Appliance Department.	60
Table 11 . Interview Plan for Lost Customers	65

LIST OF APPENDICES

Appendix 1: Questionnaire in English

Appendix 2: Questionnaire in Chinese

Appendix 3: Interview Questions

1 INTRODUCTION

In this beginning chapter, the necessity of this research will be elaborated in the background of the study. The following will be a brief introduction of the objectives of the study together with the research problems. After that, an overview of the research methodology and the outline of this thesis will be discussed.

1.1 Background of the Study

There is a definite link between customer satisfaction and business success, especially in the retail industry. Companies can benefit a lot from a comparatively higher customer satisfaction level. As a matter of fact, the competition in Chinese appliance market is increasingly stiff, and the customer fluidity is also great. Therefore, this study makes an attempt to provide effective suggestions and recommendations for Suning to get a higher customer satisfaction level.

Suning Appliance is the leading company in the industry of 3C (consumer appliance, computer and communication products) home appliance retail chain in China. As Suning always emphasizes, service is the unique product and customer satisfaction is the ultimate goal. However, a growing number of negative news of Suning's after-sale services has been reported in recent years. Therefore, it is necessary to do some concerning research in order to find out the problems.

In addition, according to the latest income statement of Suning, from 2010 to 2012, the net income decreased from 5.3% to 4.8%. As we can see from Figure 1, it is predicted that the net income will continue to decrease to 2014. Suning has expanded its retail stores to about 1700, while the net income was not increased. Thus, by doing this research we can analyze the possible problems in view of the customers, thereby providing a way to improve its sales and net income.

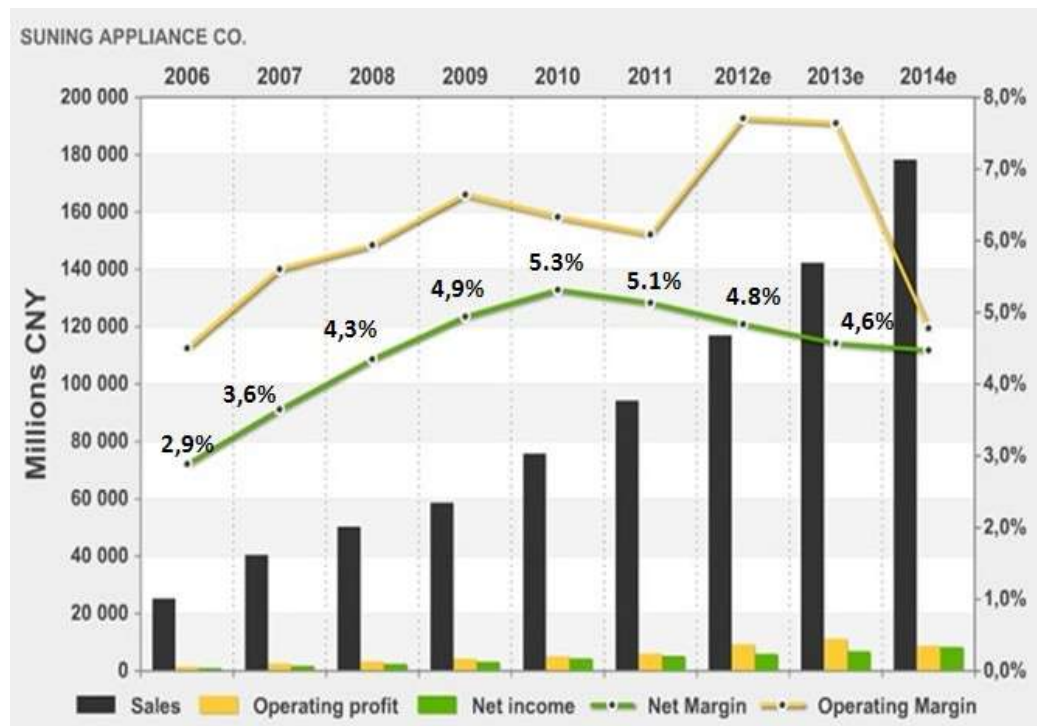


Figure 1. The Income Statement of Suning, China, 2012 (4-traders.com, 2012)

1.2 Research Problems and Objectives

This thesis is to investigate the customer satisfaction levels of Suning appliance chain store and to provide suggestions. The research focuses on new customers, current customers and lost customers of Suning on the basis of the discussion of customer retention, customer loyalty and customer decay.

Thus, the research problems should be as follows,

1. What is the customer satisfaction level of Suning?
2. What problems it may have and what is the solution.

To be more specific, in this thesis, the research problems can be subdivided into the followings,

1. What is the customer satisfaction level of Suning?
2. How to increase customer retention?
3. How to build customer loyalty?
4. How to decrease customer decay?

The scope of the empirical study is defined as the investigations of Suning's services and products in Wuhan. The competition of appliance market in China is pretty fierce. According to the annual report of Suning, the market share of appliance retail industry is mainly occupied by Suning Appliance, Gomei Appliance and Gongmao Appliance in Wuhan. It is significant for Suning to get a better customer satisfaction level in order to win the lion share in Chinese appliance market. Being aware of the problems which influence the customer retention and customer loyalty will help business organizations gain more re-buyers and paying attention to lost customers will contribute to the decrease of customer decay.

1.3 Methodology

Both qualitative and quantitative methods were used in this thesis. The three principal ways adopted in this thesis are based on the theory of customer satisfaction measurement. First of all, a group interview of new customers was taken so as to discuss the impressions of their mystery shopping in Suning chain store. Secondly, an online questionnaire was designed for current customers in order to compare the customers' expectations and company's performance. Thirdly, another group interview which focuses on lost customers was taken to discuss the issues of customer decay.

Take the population density and customer distribution rate into consideration, Wuhan will be chosen as the sample city for this research. Besides, as Suning Appliance contains three sorts of products, the research will correspondingly concentrate on three departments: consumer appliance department, computer department and communication product department.

1.4 The Limitation of the Research

The research will be conducted in the city of Wuhan, thus the results may be different when choosing another city in China. Meanwhile, for those two group interviews, the investigators' own perceptions and shopping habits may affect the final results and conclusions of this research.

1.5 Thesis Outline

This thesis can be divided into several parts, each of which is tightly related to each other. It is manifest in Figure 2, five main parts stand out, namely, introduction, theoretical framework, empirical framework, analysis of findings and recommendations and suggestions. The outline of the study is below (See Figure 2)

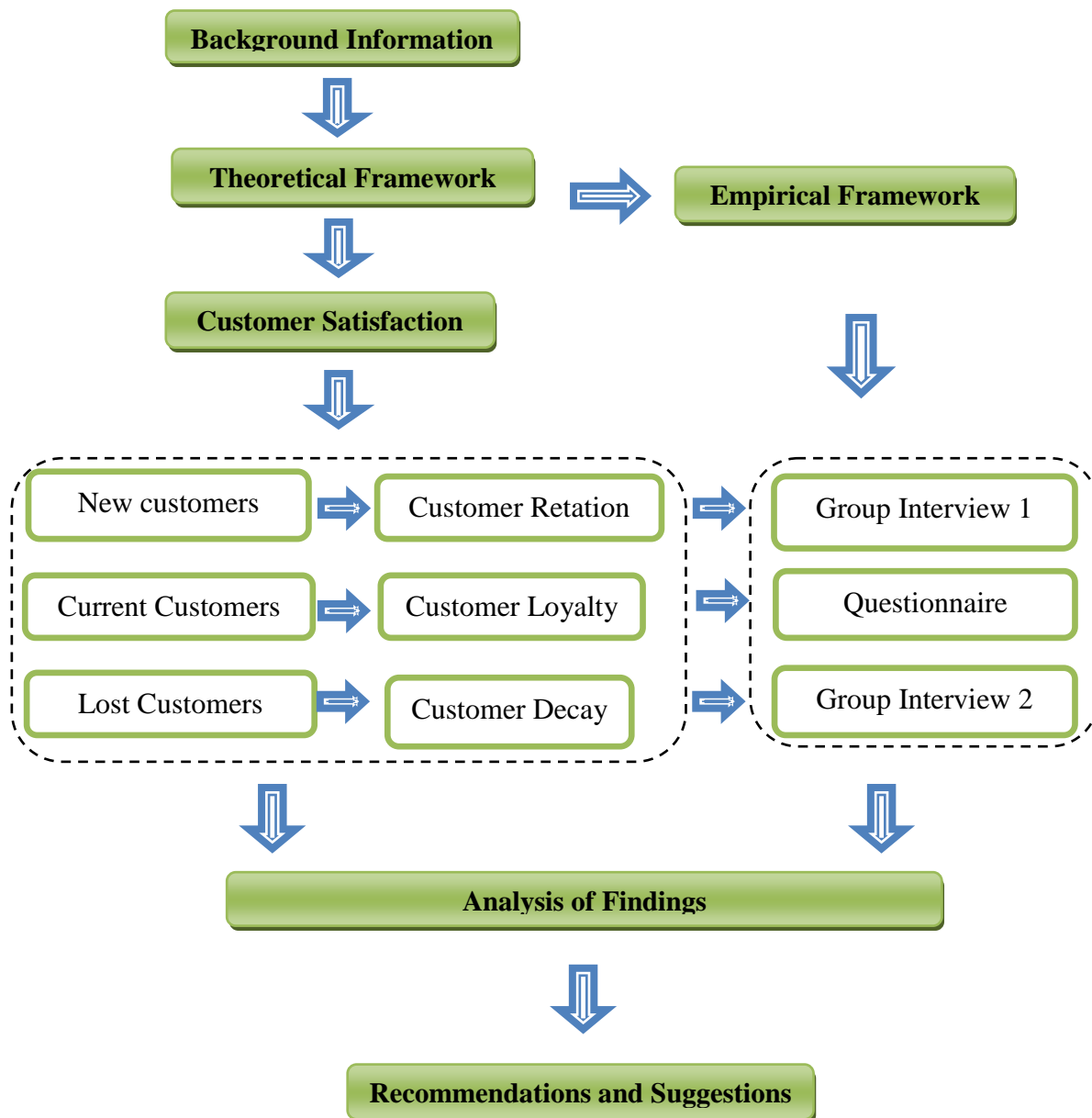


Figure 2 . The process of the thesis

The background information gives basic introduction of this thesis. With deeper reading, literature reviews provide necessary knowledge on understanding the logic of the thesis. After that, the main theoretical concepts which are tightly correlated with the empirical research are introduced. The following parts are the research, empirical findings and the conclusion. Based on the key points on the thesis, the structure of this thesis was established at the same time.

Chapter 1: The study background is briefly illustrated. The research problems and objectives are stated.

Chapter 2: This chapter presents the overview of customer satisfaction and the concerning concepts, including the importance of customer satisfaction and the measurement of customer satisfaction. Also the three main concepts customer retention based on new customers, customer loyalty based on current customers and customer decay based on lost customers are introduced..

Chapter 3: This chapter explains the research approaches adopted in the study. It includes the discussion of research methods, sample selection and data collection. In addition, the validity and reliability of the study are discussed.

Chapter 4: This chapter describes the data of the questionnaire and the records of the two group interviews.

Chapter 5: This chapter lists a summary of the whole study, and makes the conclusion of the empirical findings. It evaluates the customer satisfaction level and provides the final suggestions and recommendations.

Figure 3 .The structure of the thesis

2 THEORETICAL FRAMEWORK

This section will provide a comprehensive introduction to customer satisfaction. It will start with the definition of customer satisfaction. The analysis of customers as well as the analysis of satisfactions will immediately follow. After that, the customer satisfaction measurement will be introduced. And the last part will provide the detailed information of three dominant concepts, customer retention, customer loyalty and customer decay.

2.1 Definition of Customer Satisfaction

Yi (1991) defined customer satisfaction in two basic ways: *satisfaction as a process* and *satisfaction as an outcome*. The first approach puts stress on the perceptual, evaluative and psychological process that contributes to satisfaction. And the second approach defines customer satisfaction as resulting from the consumption experience.

Hunt (1977) stated that, customer satisfaction is *an evaluation* rendered that the experience was at least as good as it was supposed to be. According to Tse and Wilton (1988), customer satisfaction is *the consumer's response* to the evaluation of the perceived discrepancy between prior expectations and the actual performance of the product as perceived after its consumption. (Grigoroudis & Siskos, 2010) These are approaches which take satisfaction as a process.

Robert and Reilly (1983) insisted that, customer satisfaction is *an emotional response* to the experience provided by (or associated with) particular products or services purchased, retail outlets, or even molar patterns of behavior, as well as the overall marketplace. As to Churchill and Suprenant (1982), customer satisfaction is *an outcome* of purchase and use resulting from the buyer's comparison of the rewards and the costs of the purchase in relation to the anticipated consequences. (Grigoroudis & Siskos, 2010) These are approaches which take satisfaction as an outcome.

Actually, customer satisfaction contains both process and outcome. Before the purchasing behavior, customers will have an expectation in their minds.

Afterwards, their own standards will be taken to evaluate the whole buying process which contains both process and outcome. In conclusion, the definition of customer satisfaction is:

“Customer satisfaction is customers’ perception that a supplier has met or exceeded their expectations” (Hill, 1996, 2)

Thus the process and outcome approaches are both taken into consideration in this thesis. While in this definition, the perception is very important. Customer perception varies from person to person. And as Hill (1996) described, customers can form their attitudes pretty quickly but change them very slowly. It is comparatively liable to satisfy a customer but relatively hard to maintain this satisfaction. Therefore, customer satisfaction is supposed to be the ultimate goal.

2.2 Customer Analysis

It is widely recognized that no business can exist without customers. Customer is anyone who pays for the product or service that a company provided. Similarly, Grigoroudis and Siskos (2010) defined customers as the persons that have:

- the need or desire to buy the product or service,
- the motive to start on this particular purchase,
- the necessary financial resources (cash, cheque or credit),
- the feasible access to the locations where the products or the services are made or shown available.

There are lots of classification methods to differentiate types of customers. For instance, the two principal categories are divided as external customers and internal customers. (Grigoroudis & Siskos, 2010, 9)

1. **External customers:** The persons who pay for the products or services. And this category refers to the buyers or users of the final products or services
2. **Internal customers:** Each of the employees inside the company. The personnel of the company, who receive output from one or more internal process owners, or process outputs provided by the suppliers directly.

According to Hunter (2012), a more detailed classification is introduced in the following which divided the customers into five main types:

1. ***Loyal Customers:*** They have the loyalty of the company. Thus they will not so easily change to the competitors.
2. ***Discount Customers:*** They come to the stores frequently, but make their decisions based on the size of the markdowns.
3. ***Impulse Customers:*** They may not have the plan to purchase some specific products, but when they come into the store on a whim, they are much more likely to buy what seems good at the time.
4. ***Need-Based Customers:*** They have a specific intention to buy a particular product.
5. ***Wandering Customers:*** They have no specific need or desire to buy something when they come into the store. They just look around and want a sense of experience.

In this thesis, as it is mentioned in the introduction, the research based on three types of customers (see Baidu Wendang 2011):

1. ***New customers:*** Persons have never experienced the products or services of the company before and they begin to try the products or services and may gradually become current customers or lost customers of business organizations.
2. ***Current customers:*** Persons who are being in the process of a purchasing. They have a certain degree of understanding and knowledge of the company.
3. ***Lost customers:*** Persons who used to be the customers of the firm but somehow change to other firms.

These three main categories can also embrace the above two classification methods. For instance, new customers could be external customers and also impulse customers. Taking into account the standard of these classifications, the first method is decided by the status of the customers, thus both external and internal customers are too broad to this thesis. As to the second method, it is not

so easy to determine the classifications and to decide the research methods respectively.

In conclusion, the last method of classifications would be the most appropriate for this thesis. For the third method, it is clear that these three types of customers are divided by time and are liable to estimate. Examples are that lost customers' buying behaviors obviously happened in the past while current customers' happens at the moment. Thereby, new customers, current customers and lost customers are the most suitable classification method for this thesis.

As it mentioned above, three investigators who have never been to Suning will act as the new customers and take a mystery shopping in Suning store and accept an interview by the author in order to discuss customer retention. Accordingly, there will be an online questionnaire for current customers and an analysis for lost customers depends on the concept of customer decay.

2.3 Satisfaction Analysis

“Customer satisfaction is customers’ perception that a supplier has met or exceeded their expectations.” (Hill, 1996, 2) Specifically, according to Vavra (1997), satisfactions can be identified as follows:

- Satisfaction with a particular product,
- Satisfaction with a particular purchase decision experience,
- Satisfaction with a particular performance attribute,
- Satisfaction with a particular consumption,
- Satisfaction with a particular store or institution,
- Satisfaction with a particular pre-purchase experience,

In a broad sense, the above descriptions can be summarized as product, service and brand image. These are the pivotal elements of customer satisfaction. Products and services are the direct link between customers and the company, namely, they will substantially decide the satisfaction. Brand image is the indirect element which is not getting the primary contact with customers. (see MBA Wendang, 2010)

Products: This element contains commodity intrinsic value and commodity extrinsic value. For intrinsic value, it means the quality, function, price, property and efficiency of the product. For extrinsic value, it stands for the design, color, trade name, fragrance, convenience, instruction and maneuverability.

Service: This element consists of three parts. The first one is the shopping environment of the store. As a general rule, a pleasant atmosphere can often stimulate customers' shopping desire. Secondly, the attitude of the staff is also of great significance. These attitudes include the help, the politeness, the efficiency and the understanding of the products. The third one is the consulting and advisory services and the after sales service.

Brand image: Brand image is such a big issue that every enterprise values a lot. It embodies community contribution activities and environmental protection activities. As an enterprise with a strong responsibility, it is supposed to support the culture and sports activities of the country. Meanwhile, it should also take part in the environmental protection movement.

In terms of Suning, this thesis will focus on the service and product part. To start with, Suning appliance act as the intermediaries in the whole process, it can be regarded as a mass merchandiser for appliance. Therefore, it belongs to service industry. Moreover, Suning has a close cooperation with manufacturers such as Haier, Samsung and HP rather than produce their own products. Customers are liable to brand confusion. Thus, the author will concentrate on the service and product of Suning in the research.

2.4 Importance of Customer Satisfaction

In fact, customer satisfaction is the ball that everybody must keep eyes on. *In the first place*, as the saying goes, customer is God. Because no customers, no business. Customer satisfaction is a guarantee of profit. *In the second place*, customer satisfaction is a good foundation for the enterprise, especially when launching new products or expanding business. *Thirdly*, it seems that customer

satisfaction is the sole criterion for the service industry since it is a long term investment.

As Cochran (2003) stated, there is no higher achievement than satisfying the customers. It is widely accepted that customer is one of the main factors in running a triumphant corporate. To some extent, gaining more customers means getting a higher revenue, and accordingly, having a higher profit. Therefore, in order to gain more customers, companies should make all efforts to satisfy their customers by the product or service. Thus, there is a definite link between customer satisfaction and profitability. Revenues and profits are nothing more than the results of fulfilling customer needs and expectations.

Further, customer satisfaction is the foundation of good business. Satisfied customers will become a great foundation and support of the business, and they are probably willing to bring in their friends and associates. Companies should keep in mind that customer satisfaction is the heart of any business. When companies plan to have a multiplex development, the previously satisfied customers are liable to become the potential customers for the new launched products or new expanded industries. (Ramirez, 2012)

Last but not the least; in the long run, customer satisfaction seems to be an investment according to Ramirez (2012). This is important because customer satisfaction processes often produce results in the long term. The importance of customer satisfaction is apparent when enterprise realizes that, without customer satisfactions companies will slide into irrelevance. Even though the current profits seem to be impressive, as the customers complaints begin to accumulate, the revenue will have a sharp drop in the future.

To sum up, it is quite necessary to put customer satisfaction in a crucial position. Therefore, customer satisfaction measurement appears especially important for corporate to have a thorough understanding of their performance. Thus in the following part, the issues about how to measure customer satisfaction will be discussed.

2.5 Measurement of Customer Satisfaction

According to Hill (1996), *customer satisfaction is customers' perception that a supplier has met or exceeded their expectations*. He believes that the key word in the above definition is *perception*.

Customer satisfaction is in the customer's mind and may or may not conform to the reality of the situation. Therefore, customer satisfaction measurement is about measuring how customers perceive their satisfaction from the products or services of their suppliers. (Matsatsinis & Siskos, 2003, 47)

In order to get an effective result of the whole measure process, the broad objectives should be taken into consideration in the very beginning. When the objects are decided, the survey types will be chosen, and the last procedure is to make a detailed project plan.

2.5.1 Broad Objectives

As Hill & Alexander (2000) concluded, a customer satisfaction measurement exercise should identify the following objectives in order to get the maximum value:

Customers' priorities

Meeting customers' needs, giving customers what they want will undoubtedly lead to success in the marketplace. However, customers' needs and expectations are not equal to each other (Hill & Alexander, 2000, 33). Just like the differences between needs and wants. As we know, wants are always bigger than needs. For those customers who get into Suning store, their needs may be defined as "a TV set", while their wants can be described as "in a clean store, with an enthusiastic staff giving instructions, get the most favorable price, have a high quality and free home delivery service". Therefore, the most important part for Suning is supposed to provide that type of television.

Customers' tolerance band

Customers will have a tolerance band for each component aspect of customer satisfaction. Company should identify customers' ideal, expected and unacceptable levels of performance so as to identify their tolerance band (Hill, 2000, 34). When customers of Suning stand in a long queue to wait for the payment, a ten-minute wait will probably be acceptable, while, a twenty-minute wait may lead to a complaint of the checkout time. And also, the customers want to get a more specific understanding of one kind of television, however, no one goes to respond them, or the staff has no idea of their own products. These will all challenge the customers' tolerance.

Company's own performance

The researchers should keep in mind that the main purpose of a customer survey is to measure the performance of the company, as perceived by its customers (Hill, 2000, 34). In this thesis, the research is to investigate customers' opinions on the friendliness, promptness and efficiency in reception of the staff there. Customers can judge with their own standards according to their shopping experience.

2.5.2 Survey Types

The researcher should focus on a certain group so as to get more precise results. When doing customer satisfaction research, it needs to compare the customer perception survey with the market standing survey.

A customer perception survey is of most value to those companies able to achieve their objects by keeping their existing customer base satisfied. It is suitable for those companies with few competitive forces and less pressing priorities. A market standing survey adds two extra dimensions to customer satisfaction measurement. Firstly, it covers all the customers of the market. Secondly, it will ask questions concerning not only the research company but also the competitors' company. (Hill, 2000, 38)

As we can see in Figure 4, Suning appliance has two main competitors in Wuhan city, Guomei appliance and Gongmao appliance (Suning's Annual Journal, 2011). For customer perception survey, it focuses on the customers of Suning. For

market standing survey, it focuses on all the customers in the market. Furthermore, questions like the comparison of perceived images among these three companies will be asked in the survey. When doing research of customer satisfaction of Suning, the author will choose customer perception survey rather than market standing survey, as it is discussed in the customer classification part, this thesis will mainly focus on Suning's customers. (See Figure 4)

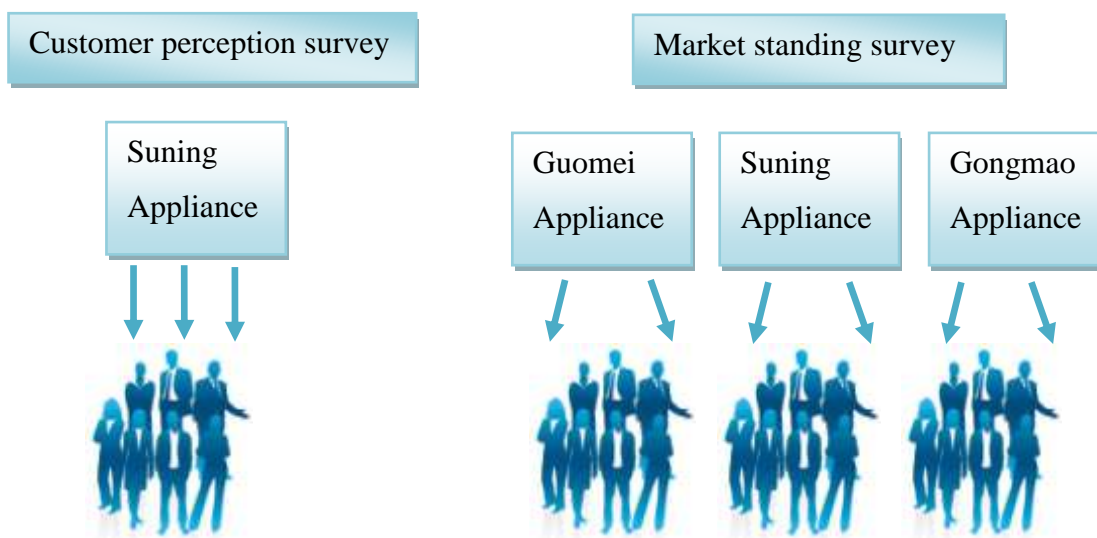


Figure 4. Customer perception survey and market standing survey for Suning.

The following table shows the main approaches used in this thesis. For new customers, the investigators will take a mystery shopping in Suning Appliance store, then have a group interview. For current customers, there will be a questionnaire based on the satisfaction elements in order to compare the expectation and customer satisfaction levels. For lost customers, the author will arrange a group interview of three net friends who used to be Suning's customers.

Types	Description	Purpose
Mystery shopping	Researchers become “customers” to experience and evaluate the quality of service delivered.	Identify systematic strengths and weakness in customer contact service.
New-,declining-,and lost-customer survey	Surveys to determine why customers select the firm, reduce their buying, or leave the firm	Assess the role service quality and other issues play in customer patronage and loyalty.

Table 1 . Main research approaches (Berry &Parasuraman. 1997)

2.5.3 Project Planning

When objectives and types are decided, a project plan could be written with contents of objects, tasks and key points in order to conduct the whole measurement. The customer satisfaction surveys are only one way to obtain valuable information about the customer reactions, perceptions, and evaluations that lead to satisfaction with the company’s product and or service offerings. (Myers, 1999)

To sum up, the questionnaire and two interviews are conducted to investigate the gaps between Suning’s performance and customer expectations of new customers, current customers and lost customers correspondingly by defining customers’ priorities, customers’ tolerance band and company’s own performance. Accordingly, the research results will be analyzed by customer retention, customer loyalty and customer decay. In the following, these three concepts and their relations with customer satisfactions will be further elaborated.

2.6 Statues of Customer Reaction

According to the definition of customer satisfaction in this thesis, the outcomes of customers' feelings are shown in the following figure.

Before conducting the research we can predict that, customers may turn out to be satisfied or strongly satisfied with Suning. Meanwhile, customers may also tend to be dissatisfied or strongly dissatisfied with Suning. These predictions thus appear to provide space for further discussions. As shown in Figure 5, companies are liable to get customer retention and customer loyalty by satisfied and strongly satisfied customers. On the contrary, dissatisfaction and strongly dissatisfaction may lead to customer decay.



Figure 5. Three statues of customer reaction

Customer satisfaction is definitely not the unique factor leading to customer retention and customer loyalty; nevertheless, customer satisfaction can be effectively maintained and promoted by customer retention and customer loyalty.

These two concepts will give a boost to customer satisfaction by transferring satisfied customers into more committed thereby consolidating this kind of satisfaction. In addition, the definition and explanation of customer decay will efficaciously help dig out the reasons of losing customers. The following part will fully elaborate these three primary concepts. (see MBA Wendang, 2010)

2.7 Customer Retention

Customer satisfaction matters a lot because it can ultimately impact customers' behavior. As a result, there has been an increasing attention on demonstrably interfacing customer satisfaction to drivers of business performance. The elementary interface between customer satisfaction and business profits is through customer retention. (Blattberg, Getz & Thomas, 2001, 72-73)

Customer retention can be simply defined as a phenomenon that the new customers continue to purchase the product or service over a specific time or period (Blattberg, 2001, 69). It refers to maintain the customers by establishing a positive relationship between the company and the customers after their first shopping experience. More precisely, it means to gain repeat customers. Since it is now widely recognized that it is much less costly and much more profitable to keep existing customers than to win new ones, customer retention has become an important goal for most business organizations (Hill, 2000, 13).

2.7.1 Value of Customer Retention

An analysis in the Harvard Business Review showed that *“a 5% increase in customer retention could increase profits by as much as 100 %”* (Christensen, 2006). Actually it will have a higher cost to replace the departing customers by noncustomers than to retain the existing ones.

For one thing, retained customers are known to be less price/cost sensitive. For another, customers who are satisfied with the business organizations are willing to advertise positive word-of-mouth recommendation. This is one of the most efficient and economic activities to win new customers. (Gruber, 2009)

Customer retention is effective in reducing the migration rate of customers. This serves the purpose to maintain the existing clientele together with instruments for acquiring new customers to increase the clientele. (Gruber, 2009)

2.7.2 How to Increase Customer Retention

Generally, the main value-add strategies for improving customer retentions are summarized in the following (Gagnon & Ward, 2001; Lake, 2009; Linoff & Berry, 2011),

- Learning continuously, being proactive, retaining employees, having a service culture and targeting customers while tailoring services.
- Membership cards and programs that entitle your customers to special offers, discounts, or preferential treatment.
- Welcome, acknowledgement, sales recognition, thank you statements.
- After sales satisfaction and complaint inquiries and surveys.
- Enhanced and empowered customer, after sales, and technical support.
- Finding customers most at risk of leaving and encouraging them to stay.
- Qualifying the value of improving operations, so existing customers can bring in better new customers.
- Event oriented communications in which the customer is genuinely interested.

In the last part of this thesis, the above value-add strategies will be combined with the research results in order to give suggestions to Suning.

2.8 Customer Loyalty

Customer loyalty is not the same thing with customer retention, because customers may stay with a supplier through habit or inertia without feeling loyal to it (Hill & Alexander, 2000). In the same time, it is different from customer satisfaction since the loyalty is all on the emotional level. In order to gain customer loyalty, the enterprise needs to make the customers get the feeling that they are a part of the process and business they initiate and that they care about that business. Loyalty comes primarily from a customer's emotional connection and experiences. Secondly, Customer Loyalty is driven by customer experience with products and processes. (Christensen, 2006)

There are many types of loyalty, and accordingly, many reasons of loyalty. As it is shown in Table 2, when the customers *have little or no choice*, their loyalty is far from devoted and it is often resentful. Secondly, *the cost*, in some situations, is a hassle factor involved in changing suppliers, is so great that customers will be reluctant to change to the other firms. The most common case for incentivized loyalty is the “*loyalty card*”. It may have some effect on customers who are not spending their own money. It nowadays prevails in many industries by offering a very wide product range and focuses on value and service. For habitual loyalty, it may happen because of *convenience in location, competitively in price*, or some kind of familiar routines that can be regarded as a part of the lifestyle. However when a similar supplier comes out, the customers are easily to change. The last one is the committed loyalty which usually appears in football club. Customers believe in *the core values* of the products rather than only in their attitudes. (Hill & Alexander, 2000, 14-15)

	Example	Degree of allegiance
Monopoly loyalty	Rail commuters	Low
Cost of change loyalty	Financial software	Medium
Incentivized loyalty	Frequent business flyer	Low to medium
Habitual loyalty	Petrol station	Low
Committed loyalty	Football club	High

Table 2 . Types of loyalty (Hill & Alexander, 2000)

2.8.1 Value of Customer Loyalty

Customer loyalty is definitely one of the principal drivers of profitability and business growth thus it is pursued by almost all the business organizations. According to Hill & Alexander (2000), the loyal customers will firstly buy more often or buy more in range for the reason that they are liable to be the re-buyers. Secondly, loyal customers are willing to buy as much as they can and spend more.

Thirdly, loyal customers are willing to accept the price change since they have less price-sensitive. Furthermore, loyal customers are willing to recommend the products to others. More importantly, loyal customers will consider competitors less as they are willing to stay longer. Last but not least, loyal customers will feel committed; as a consequence, they are willing to believe the supplier they choose is the best in that field.

2.8.2 How to Build Customer Loyalty

According to the Pareto Principle, *80% of sales come from 20% of customers*, which means, current customers play a vital role in business operation. Customers' experiences with people, products, and processes will determine their emotional connection and loyalty to an organization (Christensen, 2006), hence the company's performance will directly decide the loyalty of the customers. In order to build customer loyalty, as Waters summarized in the article "*How to Build Customer Loyalty*", companies could do as the followings:

The first step is to *keep customers happy*. As Waters summarized, retailers can follow the listing customer service practices in their store policy handbooks.

- Greet every customer when they enter the store
- Let customers know staffs are available for help, if needed
- Offer your expert advice for the customers
- Provide services beyond the customer's expectations
- Thank every customer as they exit the store

The second step is to *acknowledge the customer*. It seems impossible for the staff to keep each and every customer's name in mind, but it really shows surprises when the staff can call the customer's name correctly. Several instances for getting the customer's names are introduced in the following.

- Introduce yourself to the customer sincerely, customers may offer their names as a reply.
- Customers provide their name when writing a check, paying by credit or filling out forms.

The third step is to *reward the customer*. From loyalty cards that discount certain items, to free gifts with purchase, there are numerous ways to incorporate a customer reward program. The rewarding will make the customers feel grateful so that they are delighted to stay loyal.

The fourth step is to *follow up with the customer*. Like a good friend, loyal customers want to know that the staff cares about their needs and interests. Here are a few ways to keep in touch:

- Send personalized mailings during festivals
- Invite customers to special in-store events as a VIP shopper
- Ask something about customer's family or events in their life

Customers would be appreciating to know that someone is thinking about them. In return, they are willing to be committed to the company. This thesis will discuss transferring satisfied customers into loyal customers in the last part according to the above suggestions.

2.9 Customer Decay

The average business loses between 10 and 30 percent of its customers every single year, but they often have no idea of which customers they have lost, when they were lost, why they were lost, or how much sales revenue and profit this customer decay has cost them. (Hill & Alexander, 2000, 5)

It is far more costly to win one new customer than it is to keep an existing customer. One source that often is overlooked is people or firms that have decided not to re-buy or re-subscribe. Some of these former customers are deeply dissatisfied with a product or service itself or with after sales service. (Myers, 1999)

2.9.1 Impact of Customer Decay

The direct cause led to customer decay is the dissatisfaction. When customers feel dissatisfied, they may take public action or private action as illustrated in the Figure 6. The direct impact is that the dis-satisfied customers are lost. Further, the

indirect impact is that people around the dis-satisfied customers may be afraid of getting the similar shopping experience thus becoming the hidden lost customers. Therefore, it is unnecessary to alienate or annoy any customers. In order to know the ways to avoid dissatisfaction, the next part will introduce the main causes of dissatisfactions.

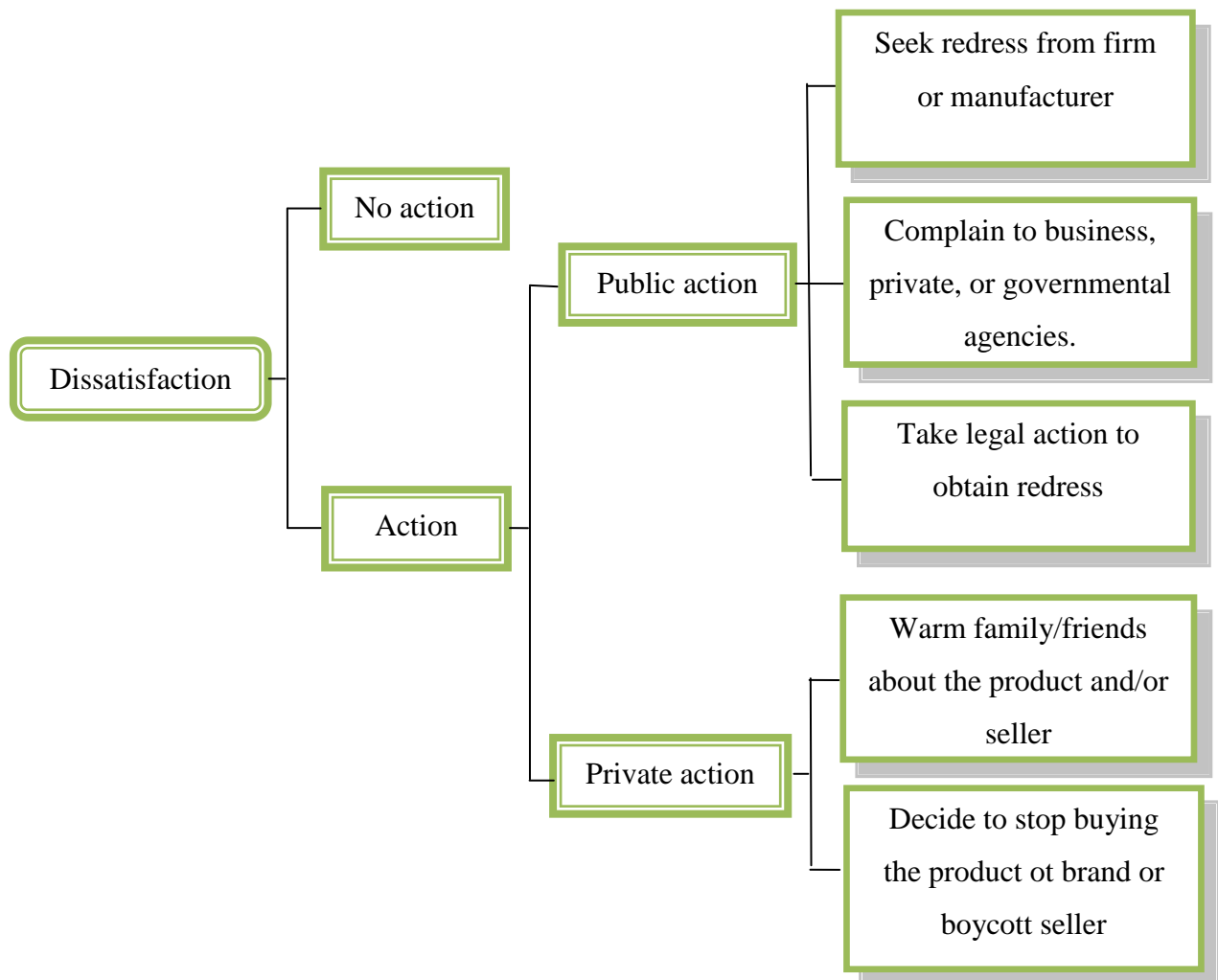


Figure 6 .Dissatisfied customers complaint behavior (Day & Landon, 1997)

Customer decay is caused by dissatisfaction and its causes can be traced to a gap between customers' expectation and their experience. Only through a well-designed customer satisfaction measurement exercise can these gaps be identified. (Hill & Alexander, 2000, 5)

2.9.2 How to Decrease Customer Decay

Dissatisfaction is clearly the fundamental reason for customer decay, but what causes customer dissatisfaction? A considerable amount of research has been undertaken in this area in recent years and the outcome is the theory of *service gaps*. The overall gap which results in a dis-satisfied customer is the gap between expectations and experience, but the root cause of that dissatisfaction can usually be traced back to one of five earlier gaps. The five gaps are shown in Figure 7.

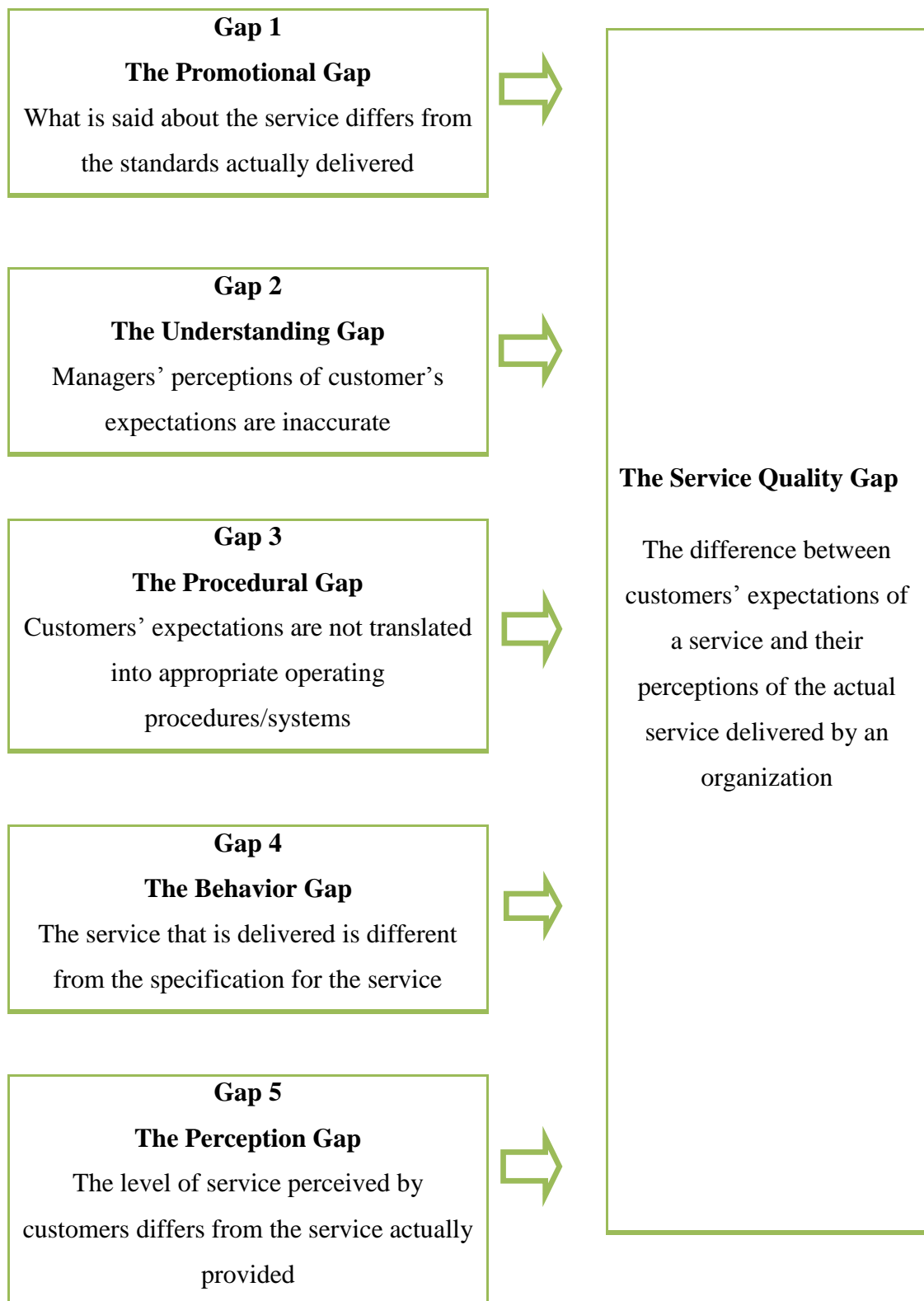


Figure 7. Service gaps (Hill & Alexander, 2000, 6)

Gap 1: The Promotional Gap

The origin of the problem can often be traced back to *the company's marketing communications*. In their eagerness to win customers by selling the benefits of their product or service companies can very easily create expectations in the minds of customers that will be difficult to fulfill.

Gap 2: The Understanding Gap

The next possible problem area is that the managers of the organization do not have an accurate understanding of customers' needs and priorities. If they do not really know what is important to customers it is extremely unlikely that the organization will "*do best what matters most to customers*" however much emphasis it places on quality and service. Many organizations seeking to measure customer satisfaction perpetuate this problem by failing to include in the survey a section which clarifies what is important to the customers.

Gap 3: The Procedural Gap

Assuming that the organization does have a full understanding of what matters most to customers it will still fail to deliver customer satisfaction if it has not *translated customers' expectations into appropriate operating procedures and systems*.

Gap 4: The Behavioral Gap

Sometimes organizations have clear procedures which are well matched to customers' needs and priorities but do not *achieve a consistently high level of customer satisfaction* because staff are insufficiently trained or disciplined to follow the procedures to the letter at all times. Therefore, a well-designed customer satisfaction survey will highlight the main gaps between customers' expectations and the organization's performance.

Gap 5: The Perception Gap

It is possible that gaps 1-4 do not exist but the customer survey still shows an unacceptable level of dissatisfaction. This is because *customers' perception of the performance of the organization may differ from reality*. A customer who was upset by offhand, unhelpful service sometimes in the past will form an attitude that the organization is uncaring and it may take some considerable time and much experience of good personal service before that perception is modified.

(Hill & Alexander, 2000, 7-11)

According to the causes of customer decay, the way to decrease customer decays can be summarized as follows.

To begin with, the company should go easy on the marketing communications and try to avoid customers' misunderstandings. Moreover, the company is supposed to arrange their services into appropriate operating procedures and systems on the basis of customers' expectations. Additionally, staff's training and disciplining are also of vital importance. Lastly, the company should have a clear understanding of dissatisfaction, whether it is from the company's poor performance or the customers' mistaken perception.

2.10 Outline of Theoretical Framework

It is manifest in Figure 8 that the theoretical framework is build by customer satisfaction together with the three dominant concepts. Customer satisfaction is divided by the analyses of customers and analyses of satisfactions. As a consequence, three primary customers on the basis of product satisfaction, service satisfaction and brand image satisfaction will be investigated in the following survey. In addition, the research results will be analyzed combined with customer retention, customer loyalty and customer decay.

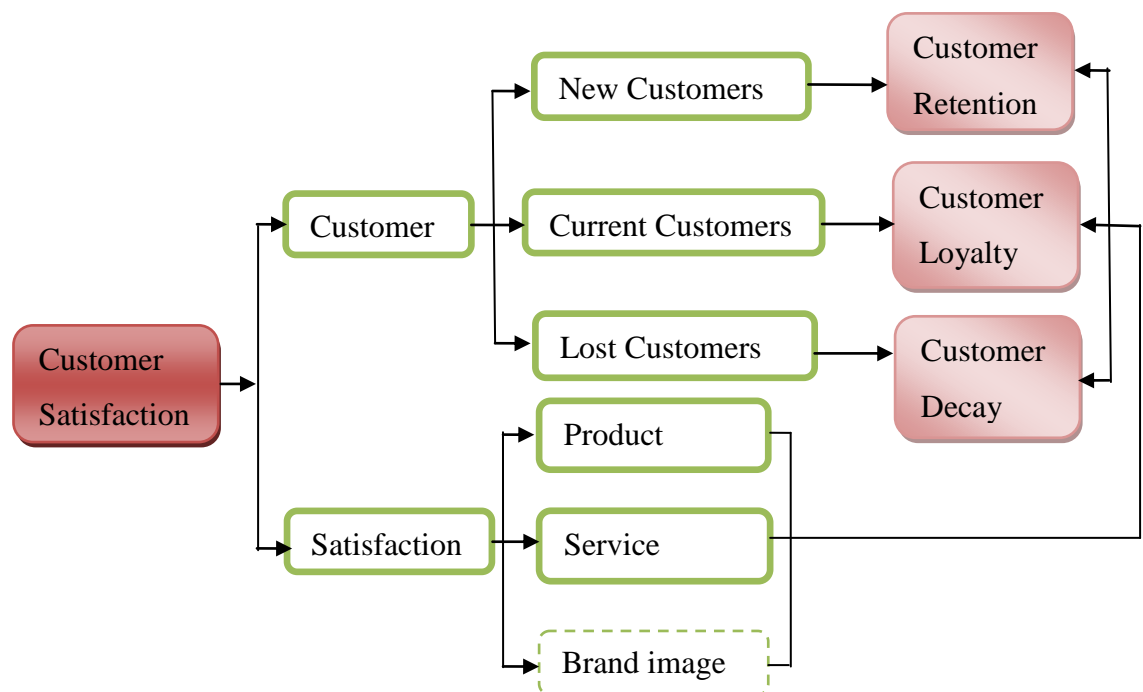


Figure 8 . Outline of Theoretical Framework

3 RESEARCH METHODOLOGY

In this chapter, the main research approaches will be introduced in details. And also, the sample selection methods are provided. After that, validity and reliability will be discussed. Finally, will be the introductions of limitations.

3.1 Research Approaches

Both quantitative and qualitative methods will be used in this thesis. Questionnaires will be taken among current customers. Meanwhile, group interviews will be held for new customers and lost customers.

3.1.1 Quantitative Research

Quantitative research is regarded to be the keystone of the research industry, and it is sometimes referred to as “survey research”. Quantitative research is defined as research including the use of structured questions where the response options have been determined beforehand and a large number of respondents are involved. That is, quantitative research often contains a sizable representative sample of the population and a formalized process for collecting data. Therefore, a structured questionnaire and a large sample are the main characteristic of quantitative methods. (Burns & Bush. 1998, 209)

The advantages of quantitative research are as follows, firstly, questionnaire is easy to manage and responses are limited to stated alternatives. Secondly, it has low interview impact because of the fixed response questions. Thirdly, the coding, analysis and interpretation of data is relatively simple. (Sabel, 2010)

To be specific, in this thesis, questionnaires will be designed based on the satisfaction elements and customer priorities. According to Hill, Brierley and MacDougall (1999), three broad aspects of questionnaire design that would be taken into consideration are the questions, the layout and rating scales.

The questions. Firstly, the researcher should make sure all the respondents have the knowledge to answer the questions. Secondly, the researcher should make sure

that the respondents understand the questions. Thirdly, the research should avoid introduction bias by using too many leading questions.

Question layout. The first information the respondents will get is the instructions which should be totally clear and straightforward.

Rating scales. In customer satisfaction measurement, there are usually two sections to each sample questionnaire in order to measure importance as well as satisfaction.

(Hill, Brierley & MacDougall, 1999, 49-65)

3.1.2 Qualitative Research

Qualitative research, in contrast, includes collecting, analyzing, and interpreting data by observing what people do and say to a specific question. Opinions and statements are in a qualitative or non-standardized form. Therefore, qualitative data can be quantified but only after a translation process has taken place. Qualitative research is usually with a small number of informants. (Burns & Bush, 1998, 209)

Qualitative methods, such as interviews, focus groups, site visits and observations are used when researchers want to have increased insight into people's thoughts, feelings, and behavior on important issues. This type of interview is often unstructured; hence it permits the interviewer to encourage the respondent to talk at length about the topic of interest. The researcher has to be conversational, but still a listener. (Lautamäki, 2010)

This thesis will use group interviews to discuss the products and services with new customers and lost customers of Suning separately, this method can be regarded as focus groups. The core ideas of focus groups are “asking the right questions” and “asking the right customers”. The group will often start with a few refreshments. It is very important to involve everybody right in the beginning once the focus group starts officially. (Hill, Brierley & MacDougall, 1999, 20)

3.2 Sample Selection

The target of this research is to find the customer satisfaction levels of Suning and provide solutions to improve or maintain it. The target group is the citizens of Wuhan, which is mentioned in Chapter 1. As the leading appliance company in China, Suning has a large population of customers geographically and demographically, thus it is not necessary to survey all of them. Instead, a relatively small sample will help to get an accurate result. Different types of sample are summarized in Figure 9.

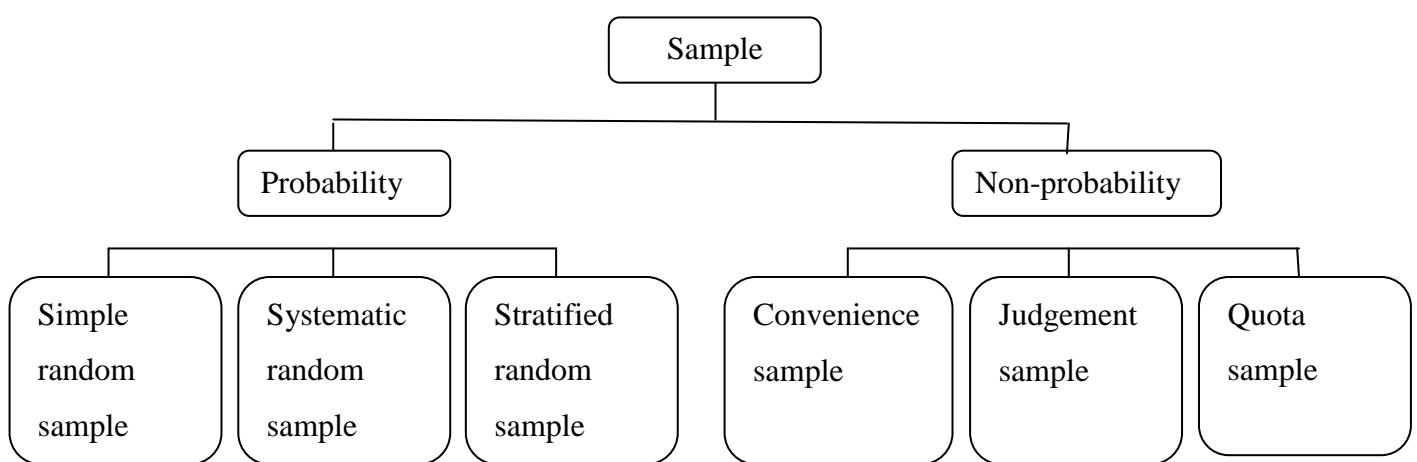


Figure 9. Sampling options (Hill & Brierley & MacDougall, 1999, 25)

As shown in Figure 9, according to Hill, Brierley and MacDougall (1999), there are several ways to select samples. In order to identify the sample more accurately, two methods were chosen in this thesis.

- ***Simple random sample:*** If the researcher wants to be sure of having an unbiased sample, it has to be random.
- ***Systematic random sample:*** It would be a random sample but might not be representative, especially in business market.
- ***Stratified random sample:*** First dividing the customers into value segments or strata and the sampling randomly within each segment,
- ***Convenience sample:*** It is the simplest form of non-probability sample. It would be easy, low-cost and quick but it would not be very representative.

-
- **Judgement sample:** It is suitable for qualitative research which doesn't purport to be statistically robust.
 - **Quota sample:** It is often used to survey large populations. But it can never be a random and totally unbiased sample in theory.

Simple random sample will be used in this thesis for questionnaire and judgement sample will be used for group interviews. The city Wuhan is chosen as the sample place. There are 23 retail stores in Wuhan. 6 in Wuchang, 4 in Hanyang and 13 in Hankou. The questionnaire will be handed out in Wuchang area. Accordingly, the three stores of Wuchang are being chosen as the sample for group interviews.

3.3 Validity and Reliability

No discussion of measurement would be complete without coverage of the related topics of reliability and validity. Briefly speaking, validity is related to whether the scale is measuring what it should measure. Reliability refers to the accuracy of measurement or the consistency from one measurement to another. (Myers, 1999, 173)

In general, validity concerns the degree to which a finding is accurate or truthful. For internal validity, it concerns about the confidence of making causal statements about what happened in the study. For external validity, it refers to the confidence of generalizing results to people outside of the study. (Lautamäki, 2010) Validity operates on a completely different plane than reliability. It is possible to have measurements perfectly reliable but that are invalid. Validity is defined as the accuracy of the measurement: it is an assessment of the exactness of measure relative to what actually exists. (Burns & Bush, 1998, 309)

Reliability is the tendency in a respondent to respond in the same or in a quite similar manner to an identical or near-identical question (Hayes, 1991). There are a number of options available to the marketing researcher to assess reliability. A favorite approach is called the test-retest method. Other methods include equivalent forms and split-half. In order to develop reliable measures, *firstly* the

researcher should throw out the questions completely. *Secondly*, the researcher can “collapse” scales that have too many gradations. *Thirdly*, reliability assessment may be done on an individual basis, such as a direct comparison of each respondent’s test answer with the reset or equivalent answer. (Burns & Bush. 1998, 309)

To summarize, in this thesis, most of the validity and reliability affecting factors have been taken into consideration, hence this research is believed to remain valid and reliable.

3.4 Limitations

Limitations are inevitably factors impairing the perfections of the thesis. The first point with respect to this was the insufficiency of sample size, 118 respondents were far from enough to represent most customers’ opinions in Wuhan when taking the large population base into consideration.

In the second place, according to the answering results of questionnaire, the average age of the respondents are between 18 and 34 and the income level are between 3000 CNY and 5000CNY. In China, this group is the underfinanced young people such as newly graduated students or newly married couples. They may not afford some of the products of Suning. The reason of this limitation was that the questionnaire was put in Chinese online forum, in China, active internet users tend to be the young people.

Additionally, investigators of group interview 1 were not selected by random. And three of them have the similar age and similar education background. Their opinions may only represent the views of their own age group.

Lastly, the principal bibliographies were not so up to date.

4 EMPIRICAL FRAMEWORK

4.1 Overview of Suning Appliance

Suning Appliance was founded in 1990 in Nanjing. Now Suning Appliance is the leading company in the industry of 3C (consumer appliance, computer and communication products) home appliance retail chain in China.

Up to 2009, Suning has run 1700 chain stores covering more than 300 cities in 30 provinces and municipalities all over China with 120 thousand employees with its annual sales volume of above 100 billion RMB. Boasting its brand value of 45.538 billion RMB, Suning retains ahead of the Chinese commercial chain industry, and ranks the Top 3 domestic private companies and No.54 among the Top 500 Chinese companies, further to be elected into the Forbes Top 50 Asian Enterprises and No.1 Chinese retail company among Forbes Global Top 2000 Enterprises. By the end of 2010, Suning have opened 1,200 chain stores with the sales volume reaching 150 billion RMB, and ranked among the World Top 500 Enterprises. By 2020, Suning will have up to 3,000 stores in total with 350 billion RMB in sales volume, and complete the construction of 300 flagship stores, 60 logistics and distribution centers, all of which will make Suning one of the top companies in the world and eventually the “Chinese Wal-Mart”. (Suning.com, 2012)

The main products of Suning Appliance are specifically divided into three parts. Communication Products: Products concerning those tools to get connection with people; Computers: Products include laptop computers, desktop computers, and related computer products. Consumer Appliance: They are small appliances, typical small household electrical entertainment appliances. Table 3 contains more detailed information of those three products.

Communication Products	Computers	Consumer Appliance
Such as: Telephones, Fax Machines, Interphones, Communication Cables, Antenna & Receivers, Pagers, Radio Sets, Rader Navigation equipment, Satellite Communication Equipment, Satellite Receivers, and other Communication Facilities and so on.	Such as: Laptop computers, desktop computers, and related computer products. Printers, Disks, CDs, Tapes, Scanners, Web-cams, CD-writers and so on.	Such as: TV sets, CD and DVD players, camcorders, still cameras, clocks, alarm clocks, video game consoles, HiFi and home cinema, telephones and answering machines and so on.

Table 3. Products classification. (Suning.com, 2012)

4.2 Group Interview of New Customers

The three investigators have never been to Suning before thus there are qualified to be the new customers. Each of them concentrated on one type of the products of Suning for their mystery shopping. The whole interview was based on their first impressions of the shopping experience. The arrangement of mystery shopping for group interview 1 is provided in Table 4.

Investigators	The selected store	Types of products
Zhu Xu (342462975@qq.com)	Shuiguohu Cross Road, Wuchang, Wuhan, Hubei, China	Communication Products
Li Na (420078021@qq.com)	Xingguo North Road, Wuchang, Wuhan, Hubei, China	Computers
Yin Jinting, (yinjinting2006@yahoo.com)	Youyi Avenue, Wuchang, Wuhan, Hubei, China	Consumer Appliance

Table 4 . Interview plan for mystery shopping

This group interview was conducted on 14th, May 2012 through online chat from 16:40 to 17:50. The discussed questions are shown in Appendix 3. The main information is summarized in Table 5.

	Zhu Xu	Li Na	Yin Jinting
Gender	Male	Female	Female
Age	24	24	22
Shopping time	Monday.14.05. 2012 12:30 p.m.	Saturday.12.05 .2012 15:00 p.m.	Thursday.10.05. 2012 11:00 a.m.
Types of products	Communication Products	Computers	Consumer Appliance
Shopping Environment	Good	Good	Good
Staff evaluation	impatient	helpful	friendly
Most satisfied aspect	Product variety	Staff instructions	Shopping environment
Most dissatisfied aspect	Staff's impatient	Staff's efficiency	Price of value
Overall satisfaction	60%	80%	85%
Will you recommend it to others	Yes	Yes	It depends

Table 5 . Summary of Respondents Answers to the Group Interview 1

Several conclusions can be drawn from the answers of the respondents:

Bad aspects:

- When customers went to Suning store during lunch time, it seems that the service personnel were impatient and not so enthusiastic. Theoretically speaking, staff should keep their passion during the working time. Impatience and lack of enthusiasm may leave a bad impression on new customers.
- The prices are higher than those of similar types of competitors.

-
- Some of the staffs were not so professional about the consumer appliances. When introducing the function to the customer the staff had to check the instructions several times.
 - There was seldom information of the discount or promotions of Suning.

Good aspects:

- Compared with their competitors, the staff was more friendly and helpful. More importantly, they were not pushing customers to buy something.
- The shopping environment and the store layout were comfortable.
- The store was easy to find and were all in city center.
- The shopping guide was friendly and thoughtful.

4.2.1 Analysis of Group Interview 1

All the three investigators have given positive evaluations on Suning's service. For instance, they all satisfied with the shopping environment. As to products, all of them showed a little dissatisfaction on the price of value. The overall satisfaction also varied.

Specifically speaking, for *communication products*, the overall satisfaction is 60%. On that day, the interviewee pretended to buy a mobile phone, however, he was upset to find that the average price level was much higher than the competitors and the staff seemed very impatient. But the interviewee was willing to recommend Suning to others because "*Suning has a wide variety of product types*".

For *computers*, the overall satisfaction is 80%. As the interviewee described, the staff could provide a detailed and informative reply to all her questions. However she waited about 20 minutes for the staff to take one of the accessories from the warehouse.

The highest overall satisfaction 85% was given to *consumer appliance*. The interviewee was satisfied with both service and product. However, she hesitated to

recommend Suning to others because of the high price. She thought online shopping was much more suitable for her.

According to the explications of their evaluations, Suning should *first of all* pay more attention to the price of products and make some suitable judgment. *Secondly*, staff should take regular training course so that they will be professional and efficiency to meet the customer's needs. *Thirdly*, online shopping has become increasingly popular among the young people, Suning need to take some countermeasure to guarantee the stable sales for physical store. *Furthermore*, the staff's morale is very important which will affect the shopping desire of the customer, thus the managers of Suning can often encourage the sales department to keep up high passion during the working period. *In addition*, the differentiated treatment should be eliminated. Everyone comes to the store should be taken as the potential customers.

4.3 Questionnaire for Current Customers

An anonymous customer satisfaction survey was developed with multiple choices and open questions which would take approximately 10 minutes for respondents to answer. The first part was set to get an understanding of the basic personal information of respondents, such as gender, age, income level and shopping preference.

Following is a filter question to sort out the target group, from which the respondents would be left out if they have never been to Suning. As mentioned in sample selection, this questionnaire focuses on current customers of Suning, if respondents do not have the shopping experience in Suning, they should not be in the sample group.

After that, a series of questions concerning customer priorities based on the theoretical framework were demonstrated. In addition, questions on customer satisfactions are divided into three parts according to the three main products of Suning. Afterwards, the overall satisfaction and expectations were asked.

Lastly, two open questions are provided to collect comments on Suning and the questionnaire.

The questionnaire made through Wenjuanxing online survey software was sent to target respondents. The direct link <http://www.sojump.com/jq/1572841.aspx> was activated during the time from 12:30 p.m. 15.05.2012 to 6:30 p.m. 18.05.2012. In sum, 158 respondents were collected, of which 29 were deleted due to the filter questions. 11 out of the 129 respondents were regarded unreliable because of the answering time. The average answering time was around 300 seconds while those 11 respondents spent less than 30 seconds on all the questions and have chosen the same option for all the questions. The 118 questionnaires could be used, which takes up 74.68% of all respondents. The answers will be shown and analyzed in the following part.

4.3.1 Background Information of Respondents

1. Gender:

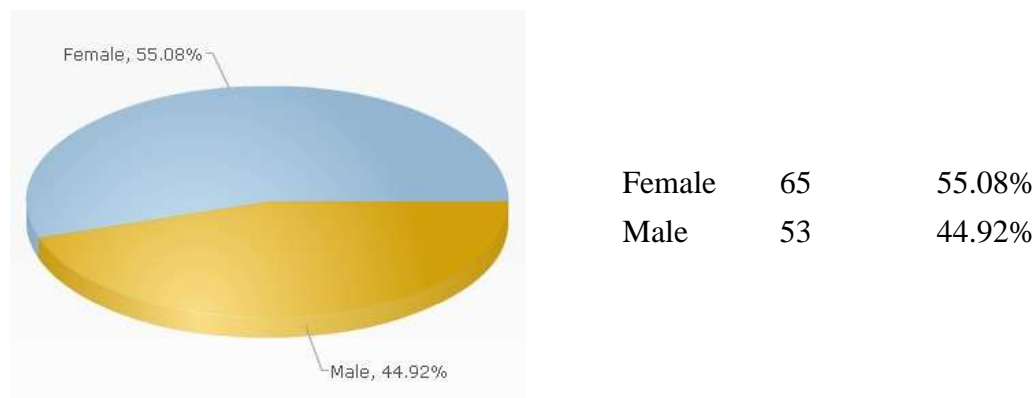


Figure 10 . Gender distribution

The first question asked in this questionnaire was gender distribution. According to Figure 10, among 118 answers, there were 65 female respondents, which accounts for 55.08%, and 53 male respondents, which was less than the figure of female respondents, accounts for 44.92%.

2. Age:

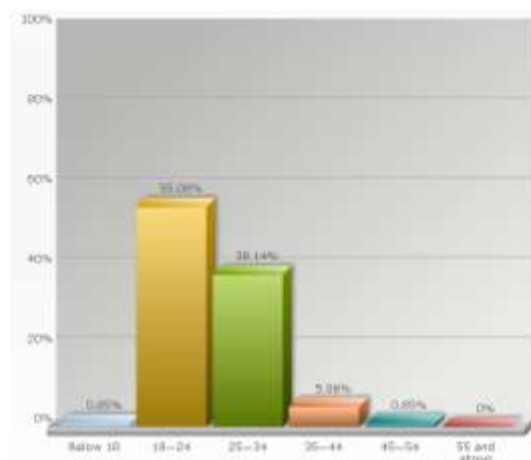


Figure 11 . Age distribution

As shown in Figure 11, the majority respondents were aged between 18 and 24, which accounts for 55.08%. Following was the 25-34 age groups, which contains 45 respondents with a percentage of 38.17%. The number of respondents between 35 and 44 was 6, which accounts for 5.08%. Respondents aged below 18 and aged 45-54 were of equal number. No one was 55 or above 55. Consequently, the main customer groups were aged 18-24 and 25-34 for this questionnaire.

3. Income level

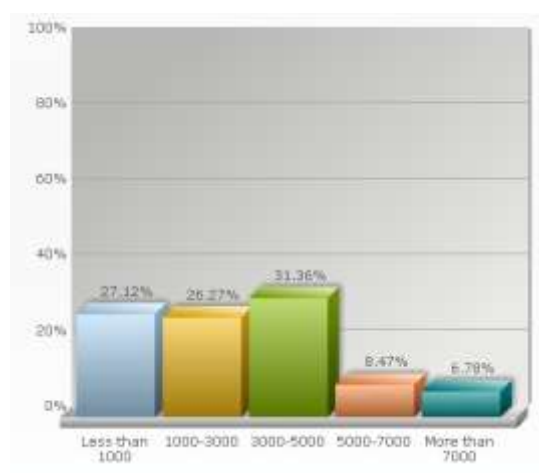
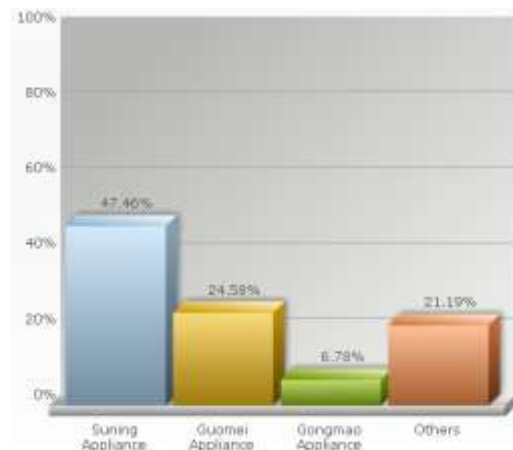


Figure 12 . Income level

As can be seen from Figure 12, most respondents were with income level between 3000-5000 CNY, which accounts for 31.36%. Following were less than 1000 and 1000-3000; they have the similar proportion of 27.12% and 26.27% respectively.

5000-7000 accounts for 8.74% and more than 7000 accounts for 6.78%. Therefore, the respondents' income levels of this questionnaire were less than 1000, 1000-3000 and 3000-5000.

4. Which store do you prefer to go in your spare time?

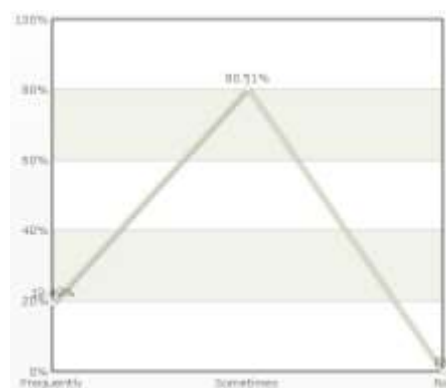


Suning Appliance	56	47.46%
Guomei Appliance	29	24.58%
Gongmao Appliance	8	6.78%
Others	25	21.19%

Figure 13. Shopping preference

It is clear from figure 13 that about a half of respondents prefer to go shopping in Suning appliance, which accounts for 47.46%. The percentage of Cuomei Appliance and Gongmao Appliance were 24.58% and 6.78% respectively. Respondents which chose others accounts for 21.19% and some of them added “online shopping” as a supplement.

5. Have you ever been to Suning store?



Frequently	23	19.49%
Sometimes	95	80.51%
No	0	0%

Figure 14. Shopping frequency

It was a filter question there to remove respondents who have never been to Suning. If respondents chose the option No, the question will skip to the end automatically. Thus the left were the current customers of Suning. Among which, 19.49% chose frequently and 80.51% chose sometimes to describe their shopping frequency of Suning.

4.3.2 Customers' Priorities

It was the first question in the second part. It aims at investigating customers' priorities of the appliance store. The question was "Please rate your opinions of the importance of the following features according to your own preference". The scale was set from 1 to 5 representing "Not important at all", "Not important", "Neutral", "Important" and "Very Important". The sub-questions and answers are shown in Table 6.

		Female	Male	Average	Valid
(1= Not important at all, 2=Not important, 3= Neutral, 4=Important, 5= Very Important)	Q6. Location	3.56	3.58	3.57	118
	Q6. Shopping environment	3.83	3.47	3.7	118
	Q6. Checkout time	3.35	3.32	3.34	118
	Q6. Cashiers' attitude	4.04	3.68	3.91	118
	Q6. Price tag's Clarity	3.88	4.11	3.96	118
	Q6. Value for the money	4.44	4.53	4.47	118
	Q6. Product quality	4.56	4.68	4.6	118
	Q6. Product variety	4.00	4.05	4.02	118
	Q6. Product layout	3.09	3.32	3.17	118
	Q6. Staff performance	3.86	3.42	3.7	118

Table 6 . Overview of the customers' priorities

As we can see from Table 6, in terms of service, Cashiers' attitude (average 3.91) was the most important factors. Shopping environment (average 3.7) and staff performance (average 3.7) have the equal importance. Location (average 3.57) and checkout time (average 3.34) were less important than the former features.

Furthermore, concerned with products, respondents gave more priority to product quality (average 4.6), value for the money (average 4.47), and product variety (4.02). Price tag's clarity (average 3.96) and product layout (3.17) seem to be less important to respondents.

When taking gender into consideration, female respondents valued more on service, such as shopping environment (3.83), checkout time (3.35), cashier's attitude (4.04) and staff performance (3.86). Male respondents emphasized more on product such as price tag's clarity (4.11), value for the money (4.53), product quality (4.68) and product variety (4.05). Both of them showed the least importance on product layout. (female 3.09, male 3.32)

4.3.3 Suning's Overall Performance

This question aims at investigating customers' evaluation of Suning's performance. It did not take satisfaction scales to define the performance; instead, it used leading questions to identify its services on account of accuracy. For example, if customers are not satisfied with location, it may imply "the store is too far away from city center and it is not so convenient to get there", meanwhile, it may also infer that "the store is in city center but it is not easy to find". Therefore, leading questions are more liable to get precise answers towards these features by defining it "Location: the store is easy to find". The question was set as "According to your shopping experience, please give your evaluation for the following aspects. 1= Disagree strongly, 2=Disagree slightly, 3=Neutral, 4= Agree slightly, 5= Agree strongly". The answers are shown in Table 7.

	Questions	Female	Male	Average	Valid
1= Disagree strongly, 2=Disagree slightly, 3=Neutral, 4= Agree slightly, 5= Agree strongly	Q7.Location: the store is easy to find.	3.91	3.68	3.81	118
	Q7.The store atmosphere is inspiring.	3.71	3.45	3.59	118
	Q7.The inside layout is appropriate.	3.65	3.6	3.63	118
	Q7.The store is clean and tidy.	3.8	3.74	3.77	118
	Q7.The checkout time is short.	3.63	3.42	3.54	118
	Q7.The cashier is friendly.	3.66	3.43	3.56	118

Table 7. Overview of overall performance

Table 7 shows the overall performance of Suning store. Among these six options, respondents were more satisfied with the location (average 3.81), the cleanliness and tidiness (average 3.77) and the inside layout (average 3.63). By contrast, the respondents were less satisfied with the store's atmosphere (average 3.59), cashier's attitude (average 3.56) and the checkout time (average 3.54).

In terms of gender, both female and male respondents were satisfied with the location (female 3.91, male 3.68). Besides, female respondents were more satisfied with store's atmosphere (3.71) and cashiers' attitude (3.66) while male respondents were more satisfied with cleanliness and tidiness (3.74) and inside layout (3.6). In particular, both of them gave the least satisfaction to checkout time. (female 3.63, male 3.42).

4.3.4 Gap Analysis for Overall Performance

The following figure compares customers' priorities and Suning's overall performance in order to identify the priorities for improvement. The gap analysis indicates that if the satisfaction bar is shorter than the importance one, Suning may have a problem. The bigger the gap, the bigger the problem (Hill& Brierley& MacDougall, 1999, 75).

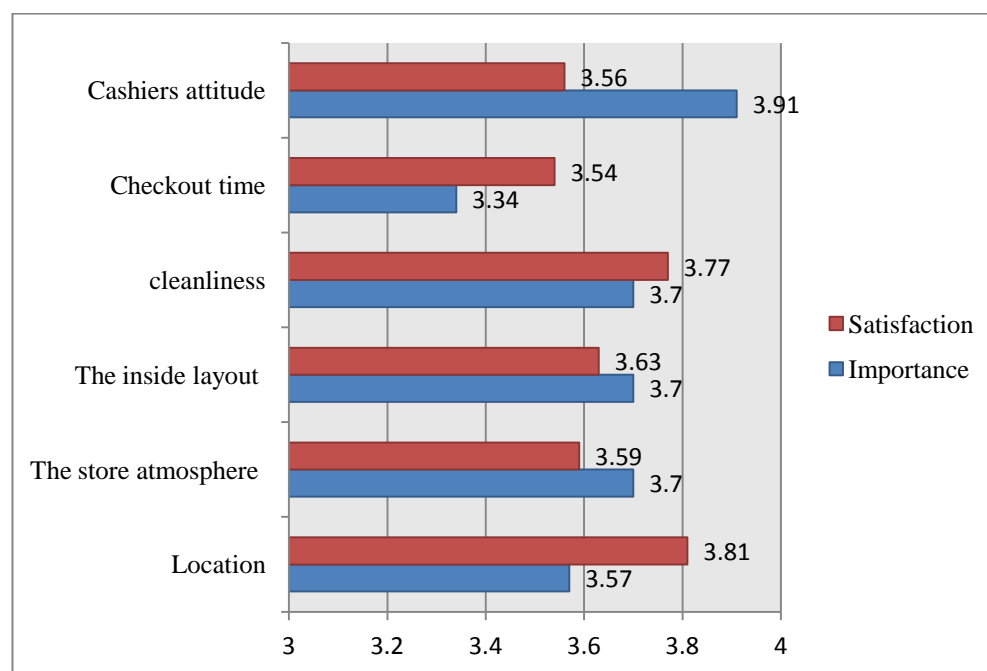


Figure 15. Gap analysis for overall performance

We can figure out from Figure 15 that some areas, such as cleanliness, inside layout, and the store's atmosphere, more or less met the respondents' requirements. Some others, such as checkout time and location are being exceeded. Noteworthy, the biggest gap was *cashiers' attitude*, this area shows the greatest potential of improvement.

4.3.5 Product Classifications

This question was to classify the respondents according to different products they have recently bought from Suning, therefore they can give evaluations to different products. For instance, respondents who chose "communication products" the question would jump to the evaluation of communication products department automatically. The answers shown in Figure 16.

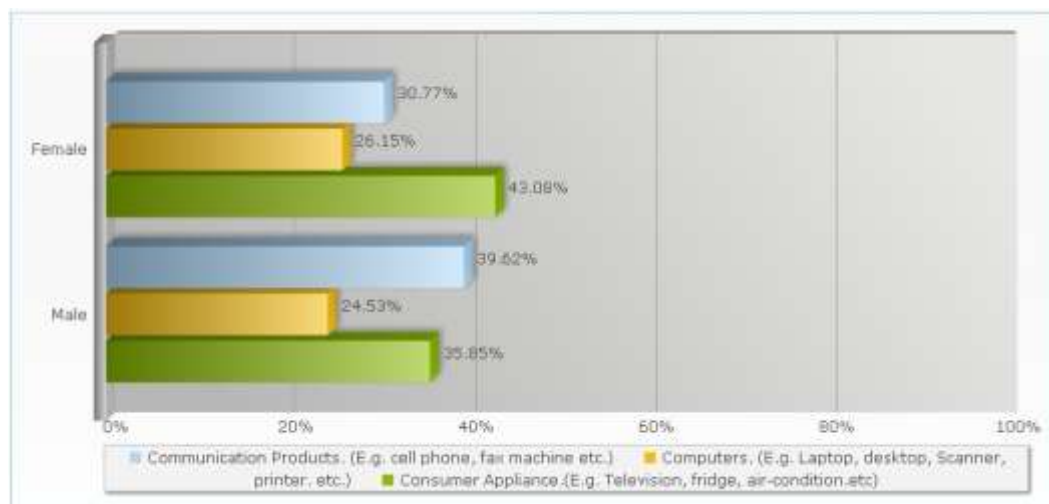


Figure 16 . Overview of product classifications (Q8)

We can see from Figure 16, respondents have seldom bought computers in Suning store. Most respondents bought communication products or consumer appliance there. Considering gender, most female respondents bought consumer appliance while most male respondents bought communication products.

4.3.6 Satisfaction in Communication Product Department.

As can be seen from Table 8, there were 41 respondents who have purchased communication products from Suning. Among which, 20 were female and 21 were male customers. The after-sale service (average 3.59) and overall satisfaction (average 3.73) were the highest among these three departments.

	Questions	Female 20	Male 21	Average	Valid
1= Very Unsatisfied, 2= Unsatisfied, 3=Neutral, 4= Satisfied, 5= Very satisfied	Q9.Clarity of the price tag	3.85	3.57	3.71	41
	Q9.Value for the money.	3.6	3.24	3.41	41
	Q9.Product quality.	3.9	3.62	3.76	41
	Q9.Product variety to meet your needs	3.5	3.62	3.56	41
	Q9.Ease of finding the product.	3.7	3.57	3.63	41
	Q9.The politeness of the staff	3.7	3.62	3.66	41
	Q9.The help of the staff	3.55	3.76	3.66	41
	Q9.The instructions of the staff	3.55	3.52	3.54	41
	Q9.The efficiency of the staff	3.55	3.43	3.49	41
	Q9. After-sale service	3.8	3.38	3.59	41
	Q9. Overall satisfaction	3.8	3.67	3.73	41

Table 8 . Overview of Satisfaction in Communication Product Department.

Table 8 shows that, respondents were more satisfied with the product quality (average 3.76), the clarity of the price tag (average 3.71), the politeness of the staff (average 3.66) and the help of the staff (average 3.66). By contrast, respondents were less satisfied with *value for the money.* (average 3.41), *the efficiency of the staff* (average 3.49) and *the instructions of the staff* (average 3.54).

In terms of gender, female respondents were most satisfied with product quality. (3.9) and least satisfied with product variety to meet your needs (3.5), while male

respondents were most satisfied with the help of the staff (3.76) and least satisfied with *value for the money* (3.24).

4.3.7 Gap Analysis for Communication Product Department

The following figure compares customer's priorities and customers satisfaction in communication product department.

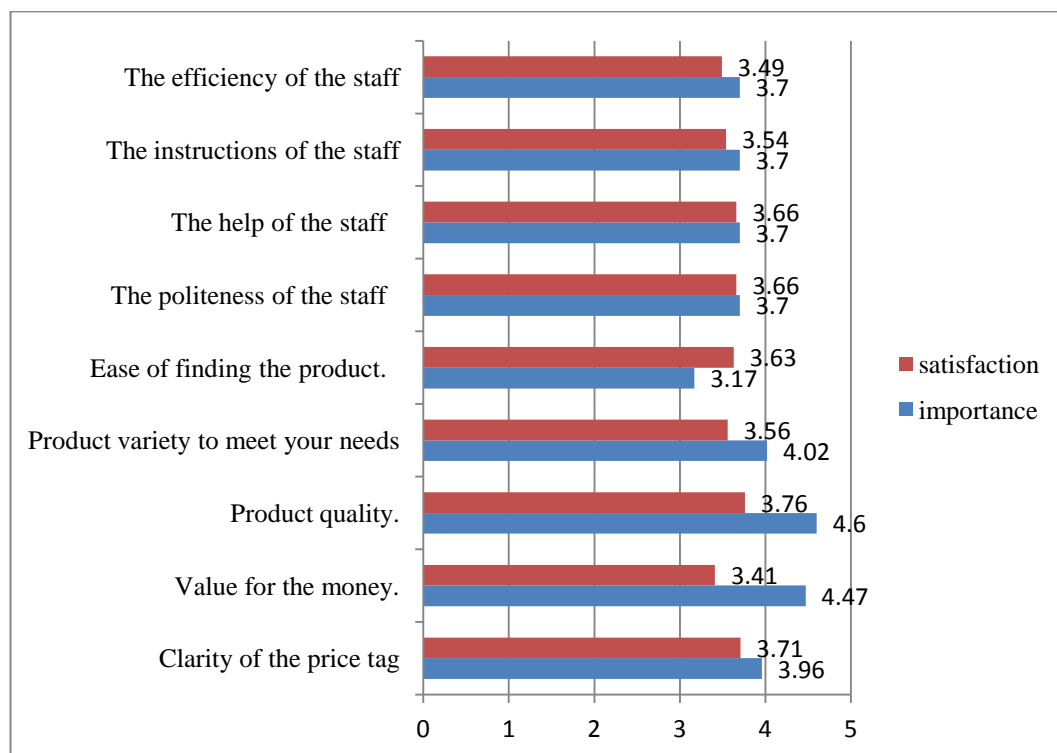


Figure 17 . Gap Analysis for Communication Product Department

For Communication Product department, the three biggest gaps were *Value for the money*, *Product quality* and *Product variety to meet your needs* which should be improved as soon as possible. The only aspect where the customers' requirements were being exceeded was the ease of finding the product. And the gap of the help of the staff and the politeness of the staff are near to zero.

4.3.8 Satisfaction in Computer Department

According to Table 9, computer department has got the fewest respondents. Only 30 out of 118 chose “computers”. We can see from table 9 that after-sale service (average 3.3) and the overall satisfaction (average 3.47) were both in average.

	Questions	Female 17	Male 13	Average	Valid
1= Very Unsatisfied, 2= Unsatisfied, 3=Neutral, 4= Satisfied, 5= Very satisfied	Q10.Clarity of the price tag	3.59	3	3.33	30
	Q10.Value for the money.	3.65	3.08	3.4	30
	Q10. Product quality.	3.76	3.38	3.6	30
	Q10.Product variety to meet your needs	3.82	3.46	3.67	30
	Q10.Ease of finding the product.	3.35	3.31	3.33	30
	Q10.The politeness of the staff	3.53	3.31	3.43	30
	Q10.The help of the staff	3.59	3.54	3.57	30
	Q10.The instructions of the staff	3.53	3.54	3.53	30
	Q10.The efficiency of the staff	3.47	3.15	3.33	30
	Q10. After-sale service	3.35	3.23	3.3	30
	Q10. Overall satisfaction	3.47	3.46	3.47	30

Table 9 . Overview of Satisfaction in Computer Department.

Table 9 shows that, respondents were more satisfied with the product variety to meet your needs (average 3.67), product quality (average 3.6), the help of the staff (average 3.57) and the instructions of the staff (average 3.53). By contrast, respondents were less satisfied with *after-sale service* (average 3.3), *clarity of the*

price tag (average 3.33) *ease of finding the product* (average 3.33) and *the efficiency of the staff* (average 3.33).

In terms of gender, female respondents seemed to have higher satisfaction level than male respondents. For instance, Female respondents were most satisfied with product variety to meet your needs (3.82) and least satisfied with ease of finding the product (3.35) and after-sale service (3.35), while male respondents were most satisfied with the help of the staff (3.54) and the instructions of the staff (3.54), and they were least satisfied with clarity of the price tag (3). More importantly, for male respondents, *clarity of the price tag* (3), *value for the money* (3.08) and *the efficiency of the staff* (3.15) were all in risk to become unsatisfied.

4.3.9 Gap Analysis for Computers Department

The following figure compares customer's priorities and customers satisfaction in computers department.

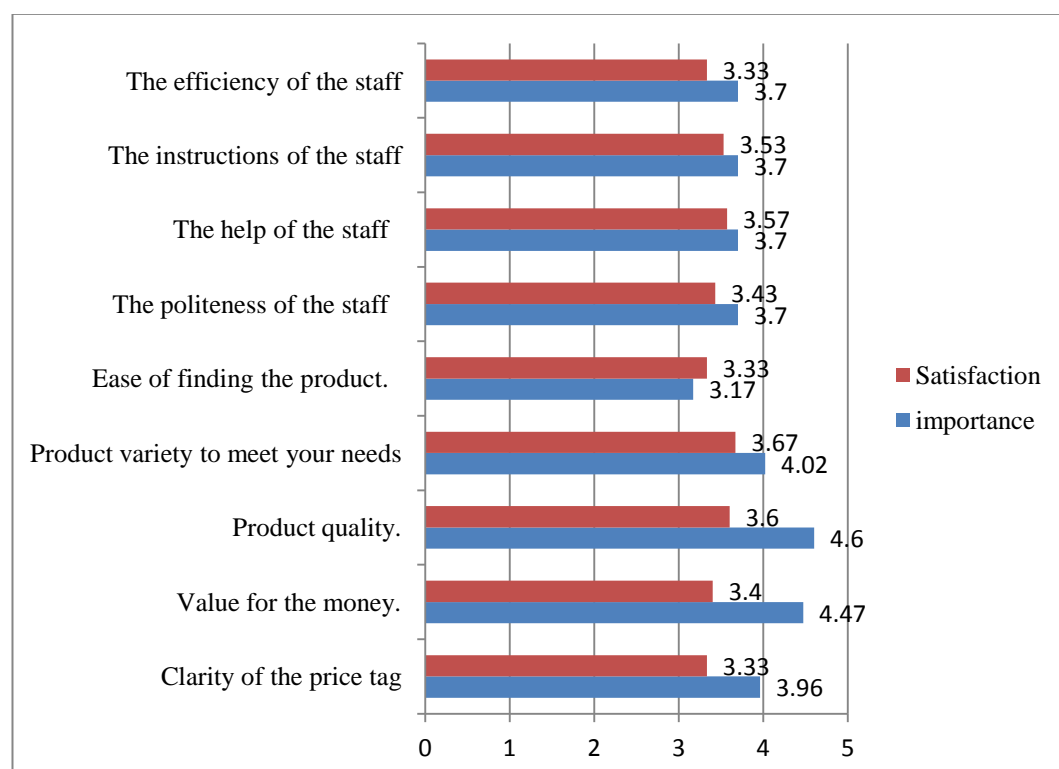


Figure 18 . Gap Analysis for Computers Department

For Computers department, the staff's performance more or less met the customers' needs. The three biggest gaps are *Value for the money*, *Product quality* and *Clarity of the price tag* which should be improved. The only aspect where the customers' requirements were being exceeded was the ease of finding the product.

4.3.10 Satisfaction in Consumer Appliance Department.

We can see from table 10 that there were 47 respondents in this department, of which 28 were female and 19 were male respondents. Nevertheless, *satisfaction in after-sale service* (average 3.02) and *the overall satisfaction* (average 3.43) were both the lowest among these three departments.

	Questions	Female 28	Male 19	Average	Valid
1= Very Unsatisfie d, 2= Unsatisfie d, 3=Neutral, 4= Satisfied, 5= Very satisfied	Q11.Clarity of the price tag	3.68	3.58	3.64	47
	Q11.Value for the money.	3.43	3.11	3.3	47
	Q11. Product quality.	3.54	3.89	3.68	47
	Q11.Product variety to meet your needs	3.79	3.74	3.77	47
	Q11.Ease of finding the product	3.64	3.47	3.57	47
	Q11.The politeness of the staff	3.64	3.47	3.57	47
	Q11.The help of the staff	3.43	3.42	3.43	47
	Q11.The instructions of the staff	3.5	3.37	3.45	47
	Q11.The efficiency of the staff	3.14	3.16	3.15	47
	Q11. After-sale service	2.96	3.11	3.02	47
	Q11. Overall satisfaction	3.39	3.47	3.43	47

Table 10 . Overview of Satisfaction in Consumer Appliance Department.

Table 10 shows that, respondents were more satisfied with the product variety to meet your needs (average 3.77), product quality (average 3.68), and clarity of the price tag (average 3.64). By contrast, respondents were less satisfied with *after-sale service* (average 3.02), *the efficiency of the staff* (average 3.15) and *value for the money* (average 3.3).

In terms of gender, female respondents were most satisfied with product variety to meet your needs (3.79) and least satisfied with after-sale service (2.96), while male respondents were most satisfied with the product quality (3.89) and they were least satisfied with value for the money (3.11) and after-sales service (3.11). In particular, after-sales service (2.96) for female respondents was in the level of dissatisfaction.

4.3.11 Gap Analysis for Consumer Appliance Department.

The following figure compares customer's priorities and customers satisfaction in computers department.

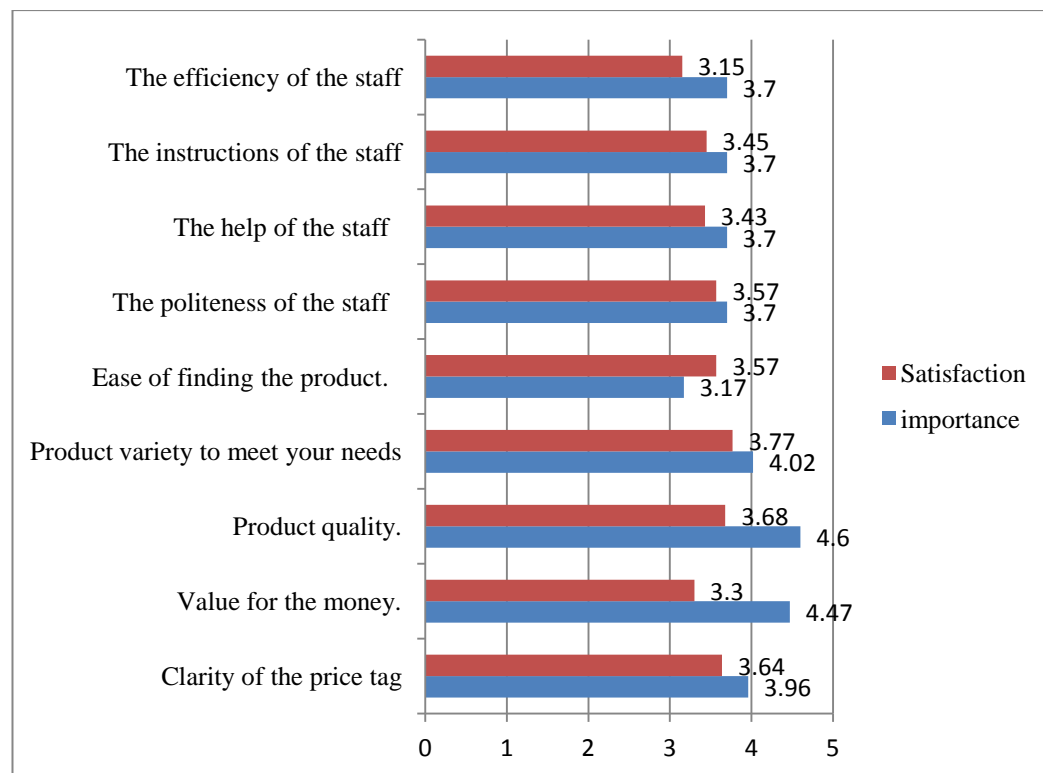


Figure 19 . Gap Analysis for Consumer Appliance Department.

As we can see from Figure 19, the staff's performance more or less met the customers' needs. The three biggest gaps were *value for the money*, *product quality* and *the efficiency of the staff* which should be improved as soon as possible. The only aspect where the customers' requirements were being exceeded was the ease of finding the product.

4.3.12 Overview of Opening Time

Figure 20 separately shows the female and male respondents' opinions about the opening time of Suning. The question was “*What's your opinion on the opening time of Suning (9:00 am-21:00 pm)*”.

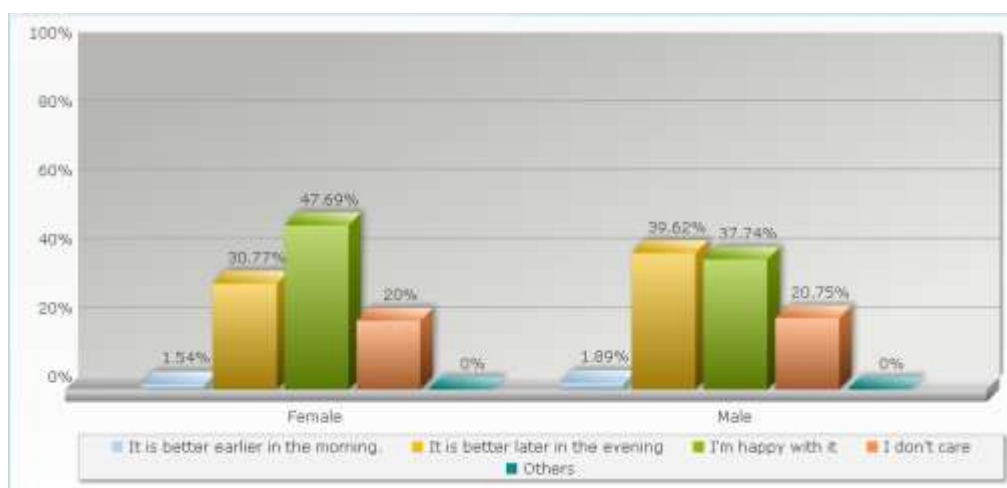


Figure 20 . Overview of Opening Time (Q12)

It is manifest from Figure 20 that, female respondents and female respondents have got different opinions on opening time. 39.62% male respondents felt “It is better later in the evening” while 47.69% female respondents chose “I’m happy with it”. Female respondents seemed to be more accepting of the current opening time. While male respondents hoped “*It is better later in the evening*”. The reason may be that male respondents want to go shopping after work.

4.3.13 Overview of Customer Expectations

Figure 21 shows the respondents' opinions about their expectations. The question was set as “*How did you feel about Suning's overall performance*”.

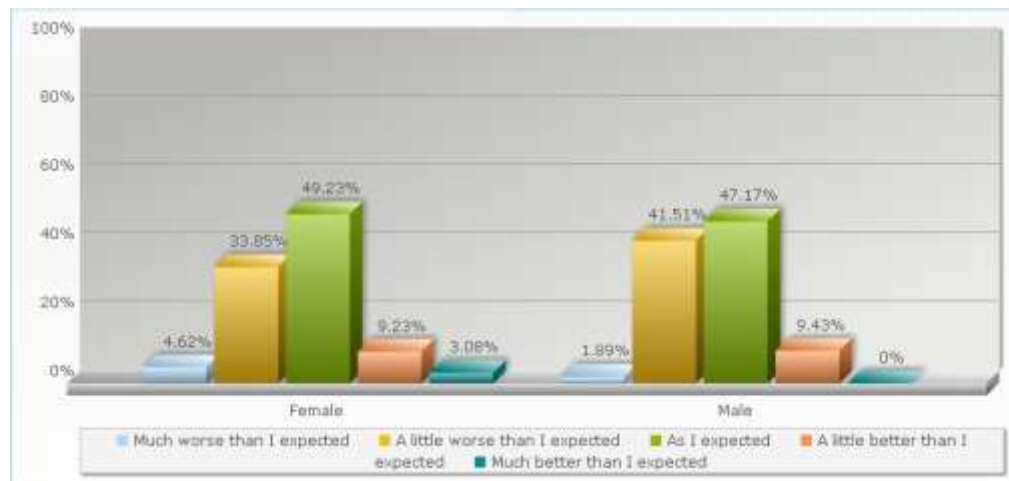


Figure 21. Overview of Customer Expectations (Q13)

We can see from Figure 21, it is the similar case with female respondents and male respondents. 49.23% female respondents and 47.17% male respondents felt “*As I expected*”. Meanwhile, 33.85% female respondents and 41.51% male respondents chose “a little worse than I expected”.

4.3.14 Overview of Recommendation Willingness

Figure 22 shows the respondents’ willingness of recommendation. The question was set as “*Will you recommend Suning to someone else*”.

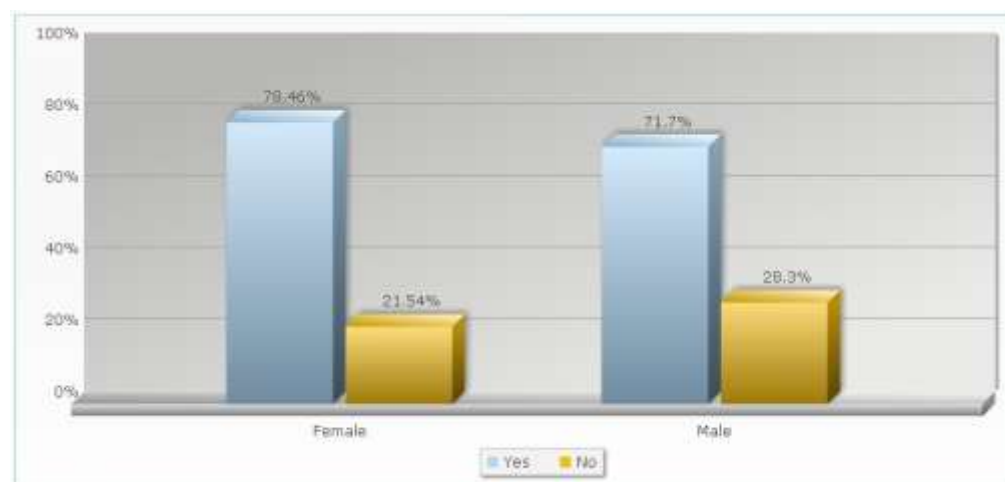


Figure 22 . Overview of Recommendation Willingness (Q14)

As shown in Figure 22, there were 78.46% female respondents and 71.7% male respondents willing to recommend Suning to their families or friends. For those

respondents choosing “No”, seven of them added answers “the price is so high that we can’t afford it”, five of them wrote “After-sale service is really bad”.

4.3.15 Analysis of Questionnaire

According to the answers of each question, we can get the conclusion that the performance of Suning more or less met the need of customers’ expectation. However, some respects stood out which need to be improved can be summarized as follows:

Suning should pay more attention to the cashiers' attitude as well as the inside layout and the store atmosphere. The opening time could be extended to 22 p.m.in the evening, for instance, from 9 a.m. to 22.p.m.

For *communication product department*, the three biggest gaps between suning’s performance and customer’s expectations were *the value for the money*, *the efficiency of the staff* and *the instructions of the staff*. These could be improved by cutting the price moderately and training the staff.

For *consumer appliance department*, *value for the money*, *product quality* and *the efficiency of the staff* were all need to be improved. These can be solved by negotiating with suppliers asking for products with higher quality and lower price and training the staff.

For *communication product department*, attentions should be paid to *value for the money*, *product quality and clarity of the price tag* to meet customers’ needs. Negotiate with the supplier and expend more time on price tag making.

4.4 Group Interview of Lost Customers

For lost customers’ analysis, the three investigators are selected from the internet. They were not willing to share their personal information and the plan were shown in Table 11.

Lost customers	Types of product
Miss Lin	Communication Products
Mr Zhang	Computers
Mrs Wu	Consumer Appliance

Table 11 . Interview Plan for Lost Customers

According to the group interview of three former customers of Suning, conclusions can be drawn from the answers of the respondents:

- The after-sale services should be improved as soon as possible. The poor after sales service was the main cause of customer decay. More specifically, the home delivery service was often not in time, and the door-to-door installation service and maintenance service often asked for irregular charge. These may be the management oversight. **(The Behavioral Gap)**
- The three interviewees all reflected that the complaint telephone of Suning was always busy. Even though they have shown their dissatisfaction, no one came out to explain. Suning was always ignoring all the complaints. **(The Perception Gap)**
- Discount information of the advertisement does not conform to the actual situation. It happens that customers cannot find the advertised products in some of the store. **(The Promotional Gap)**
- When customers bought something, it was very difficult for them to change or return. Even though those products were bought within two weeks.
- The customer service center often hangs up the phone of the customers without solving the problems. It was quite impolite and would make the customers angry. **(The Behavioral Gap)**

4.4.1 Analysis of group interview 2

As Suning's after-sale service was widely criticized by those three interviewees, the author has discussed with a manager of Suning and got the conclusion that, Suning's after-sales service management should be changed dramatically. As a

matter of fact, Suning has authorized its after-sale service to its cooperative partner. For instance, a customer bought a Samsung computer in Suning, thus the after-sale service business would transfer to Samsung. However, most customers have no idea about this fact. Firstly, Suning could explain clearly the responsible party of its after-sales service to customers. And apologize to those angry customers. A sincere apology will effectively help reestablish trust and restore lost customers. Secondly, Suning could add the “customer is god” principle in its enterprise culture. If all the staffs are aware of this principle, the angry customers will feel heard and understood. Thirdly, Suning could take a time to deal with the complaint voice in the internet forums in order to control the negative effects of customer decay.

5 CONCLUSION

Since problems have been revealed and analyzed in each part of the empirical findings, this chapter will concentrate on giving suggestions based on both theoretical and empirical frameworks.

As it is discussed in theoretical framework, even though customer satisfaction is definitely not the unique factor leading to customer retention and customer loyalty, customer satisfaction can be effectively maintained and promoted by customer retention and customer loyalty. According to the research results, the average satisfaction level among new customers was **75%** (*Communication Product Department: 60%, Computer Department: 80%, Consumer Appliance Department: 85%*), among current customers was **3.54** (*Communication Product Department: 3.73, Computer Department: 3.47, Consumer Appliance Department: 3.43*). we can conclude that Suning's performance more or less met customers' needs. Thus the following will provide suggestions for transferring satisfaction into retention and loyalty so as to maintain and promote the satisfaction. Meanwhile, suggestions for decreasing customer decay are also provided. Lastly, recommendations will be given for further studies.

5.1.1 Suggestions for Increasing Customer Retention

Firstly, Suning can offer membership cards to establish a long-term relationship with the new customers. Regular or irregular promotion activities behind the cards by providing special offers, discounts, or preferential treatment will help effectively keep up the customers and remind them to return

Secondly, welcome, acknowledgement, sales recognition, thank you statements are all of great significance during the buying process where Suning could emphasize on its service principle. Leave a good impression on new customers is a kind of guarantee for customer retention.

Besides, the staff of Suning can recommend the latest promotion information to those new customers and encourage them to come again.

5.1.2 Suggestions for Building Customer Loyalty

The first step is to make the customer happy by greeting every person as they enter the store and let the customers know that the staff is available for help, if needed. The staff should be trained to be able to offer expert advice to customers and provide services beyond customers' expectations.

The second step is to acknowledge the customers. Customers will be appreciating that the staff remember their names. If the staff can recognize the current customers when they appear in the Suning store for several times, these customers will be glad to appear even more times in Suning store.

The third step is to reward the customer. From loyalty cards that discount certain items, to free gifts with purchase, there are numerous ways to incorporate a customer reward program. The rewarding will make the customers feel grateful so that they are delighted to stay loyal. For example, when customers buy a TV set from Suning store, it could provide free delivery and installation service.

The fourth step is to follow up with the customer by sending personalized mailings during the festival time, or inviting them to special in-store events as VIP shoppers.

5.1.3 Suggestions for Decreasing Customer Decay

Combined with the customer decay concept, Suning should first try to avoid the service gaps.

Suning should pay more attention to its marketing communications and make efforts to avoid any potential misunderstandings. (Promotional Gap)

The manager of Suning should keep customers' needs and priorities in mind in order to "*do best what matters most to customers*". (Understanding Gap)

Staff's performance does matter a lot during the whole buying procedure. Suning can have regular training course for its staff in order to improving the customer service. (Behavioral Gap)

Suning should get rid of most complaint voices in online forums. Those negative effects may have a bad influence on the new customers of Suning. A customer who was upset by offhand, unhelpful service sometimes in the past will form an attitude that the organization is uncaring and it may take some considerable time and much experience of good personal service before that perception is modified. (Perception Gap)

5.2 Recommendations for Further Studies

The first point with respect to this is that, it is better to print out the questionnaire and give out to customers in Suning store in order to get a wide range of respondents. For this research, most of the respondents are the young people. Moreover, for questionnaire design, the background information should always contain one option for “students”. In this questionnaire, many respondents left words that they have no idea about replying the “the income level” questions. Additionally, for group interviewees, it is supposed to involve different kinds of ages and backgrounds in order to get more specific and reliable answers. Finally, this research was conducted in the city of Wuhan. As a matter of fact, Nanjing, as the original city of Suning, may also be suitable for this research.

REFERENCES

Adrian Thompson. 2002. Customer Satisfaction in 7 Steps. Accessed 10.4.2010. Available in www form

< <http://www.sitepoint.com/satisfaction-7-steps/>>.

Alison, G. 2008. Questionnaire Design & Analysis. Introduction and survey process.10-33. Accessed.14.4.2012. Available in www form

<<http://www.tardis.ed.ac.uk/~kate/qmcweb/qcont.htm>>.

Alvin C. Burns, Ronald F. Bush. S. 1998. Marketing Research. Upper Saddle River, N.J. : Prentice Hall.

Andy C. L. Yeung, T. C. Edwin Cheng & Ling-Yau. . 2004. From Customer Orientation to Customer Satisfaction: The Gap Between Theory and Practice. Accessed 10.4.2012. Available in www from

<<http://repository.lib.polyu.edu.hk/jspui/bitstream/10397/150/1/01266856.pdf>>.

Barb Lyon. 2012. How to Ensure Strong Customer Service and Customer Satisfaction. Accessed 15.4.2012. Available in www from

<<http://managementhelp.org/customers/service.htm>>

Beatrix Gruber. 2012. Why Customer Retention. Do I really need it? Accessed 10.5.2012. Available in www from

<<http://www.scibis.eu/images/whyCR.pdf>>

Bob Thompson. 2005. The Loyalty Connection: Secrets to Customer Retention and Increased Profits. RightNow Technologies. Accessed 10.5.2012. Available in www from

<http://www.rightnow.com/briefcase-files/PDFs/The_Loyalty_Connection__Secrets_to_Customer_Retention_and_Increased_Profits.pdf>

Bob E. Hayes.1991.Measuring Customer Satisfaction, Development and Use of Questionnaires. 1th Edition. Library of Congress Cataloging. United States of America. Wisconsin.

Budi Kurniawan. 2010. Factors Affecting Customer Satisfaction in Purchase Decision on Ticket Online: A Case Study in Air Asia. International Program Management Department Faculty of Economics and Social Science State Islamic University Syarif Hidayatullah Jakarta. Accessed 10.5.2012. Available in www from

<http://putraselaparang.weebly.com/uploads/2/0/1/8/2018142/factors_affecting_customer_satisfaction_in_purchase_decision_on_ticket_online.pdf>

Customer Satisfaction Research. 2010. Accessed 10.5.2012. Available in www from

<<http://doc.mbalib.com/view/7dd3ffe52d72ba9d2bb2b0751fe68234.html>>

Churchill, Gilbert A., Jr. and C. Surprenant 1982, "An Investigation into the Determinants of Customer Satisfaction," *Journal of Marketing Research*, 19 (November), 491-504.

Edward D. Gagnon & Gregory D. Ward. 2001. *The Effective Manager's Handbook for Customer Service Success: 52 Weekly Motivational Tips and Quotes to Help You Improve Your Customer Service Every Day*. Accessed 4.6.2012. Available in www from

<<http://books.google.com.hk/books?id=TZDfuYYMHysC&pg=PA36&dq=increase+customer+retention&hl=zh-CN&sa=X&ei=GNDLT8HJJZH24QSn8Pw7&ved=0CDUQ6AEwAA#v=onepage&q=increase%20customer%20retention&f=false>>

Evangelos Grigoroudis & Yannis Siskos. 2010. *Customer Satisfaction Evaluation: Methods for Measuring and Implementing Service Quality*. Accessed 4.5.2012. Available in www from

<<http://books.google.fi/books?id=WsFigUeZO1YC&pg=PA7&dq=Consequently,+alternative+definitions+of+customer+satisfaction+vary+with+regard+to+the+object+focus+and+the+level+of+specificity.+These+levels+include+mainly+the+following&hl=zh-CN&sa=X&ei=IQywT7z1Fcfb4QsX74jFCQ&ved=0CDEQ6AEwAA#v=onepage&q&f=false>>

F. John Reh. 2012. *Customer Satisfaction Survey*. Accessed 10.5.2012. Available in www from

<<http://management.about.com/od/competitiveinfo/a/CustomerSatSurv.htm>>

Gordon S. Linoff & Michael J. Berry. 2011. *Data Mining Techniques: For Marketing, Sales, and Customer Relationship Management*. Accessed 10.5.2012. Available in www from

<<http://books.google.com.hk/books?id=jbdLVpxyNT4C&pg=PA93&dq=improve+customer+retention&hl=zh-CN&sa=X&ei=JdPLT5rJN4bl4QT6upQf&ved=0CDUQ6AEwAA#v=onepage&q=improve%20customer%20retention&f=false>>

Guo MingChun. 2004. *An analysis of Customer Satisfaction Factors*. *Journal of Shanxi Institute of Economic Management*. Accessed 10.5.2012. Available in www from

<<http://www.doc88.com/p-999992311368.html>>

Hanne-Marie Pöysä 2010. Customer Satisfaction Research: Euro-Lingua Language School. Accessed 10.4.2012. Available in www from

<https://publications.theseus.fi/bitstream/handle/10024/16412/Poysa_Hanne-Mari_e.pdf?sequence=1>

Heskett, James L. & Sasser Jr. Earl & Schlesinger, Leonard A. 1997 The Service-Profit Chain. The Free Press, New York.

Hu Zuohao. 2010. Building Customer Satisfaction. Accessed 6.5.2012 . Available in www from

<<http://doc.mbalib.com/view/98cf002af4a2aa332af54a7a3772a234.html>>

Hunt, K. H. 1977. Customers Satisfaction/Dissatisfaction--Overview and Future Directions, Conceptualization and Measurement of Customer. Marketing Science Institute, Cambridge, MA.

James H. Myers. 1999. Measuring Customer Satisfaction: Hot Buttons and Other measurement Issues. 1st Edition. American Market Association. Chicago. United States.

K Douglas Hoffman & John E G Bateson. 2009. Services marketing: concepts, strategies & cases. Cengage Learning Services. Accessed 25.5.2012. Available in www from

<<http://books.google.com.hk/books?id=YbJRaY4OAJQC&pg=PA382&dq=Customer+retention+refers+to&hl=zh-CN&sa=X&ei=kRjLT7m0Ceim4gSM3JkD&ved=0CDMQ6AEwAA#v=onepage&q=Customer%20retention%20refers%20to&f=false>>

Knight W.N.Hsiao. 2002. Customer Satisfaction. Accessed 16.5.2012. Available in www from

<<http://doc.mbalib.com/view/a144f9deb5248e7f2976382317c63ff2.html>>

Krishna Pal Verma (PGDM). 2012. A Research Project Report on Consumer Intrection & Consumer Service [Pantaloone Retail (India) Limited, Delhi] Summer Training Project Report Submitted towards Partial Fulfillment of Post Graduate Diploma in Management. Accessed 10.5.2012 . Available in www from

<<http://www.scribd.com/doc/51002052/Internship-report-on-Pantaloone-Retail-India-LTD>>

Laura Lake. 2012. Explore the Value of Customer Retention. Accessed 10.5.2012. Available in www from

<<http://marketing.about.com/cs/customerservice/a/crmstrategy.htm>>

Lautamäki Satu 2012. Qualitative VS quantitative In: Methodology for studies and research. Vaasa University of Applied Sciences

Mark Hunter. 2012. The 5 Types of Customers: Increase Your Loyal Customers to Increase Your Sales. Accessed 10.5.2012. Available in www from

<<http://sbinfocanada.about.com/od/customerservice/a/customertypesmh.htm>>

Modern Customer oriented organizational chart (2012). Assessed 16.4.2012. Available in www from

<<http://www.marketing91.com/modern-customer-oriented-organizational-chart/>>

M S Sridhar. 2008. Service quality and customer satisfaction. Accessed 15.4.2012. Available in www from

<<http://www.slideshare.net/mssridhar/service-quality-and-customer-satisfaction-presentation>>

Nigel Hill. 1996. Handbook of Customer Satisfaction Measurement. 1st Edition. Gower Publishing Limited. Aldershot. Great Britain.

Nigel Hill & Jim Alexander. 2000. Handbook of Customer Satisfaction and Loyalty Measurement. 2nd. Edition. Gower Publishing Limited. Aldershot. Great Britain.

Nigel Hill, John Brierey & Rob MacDougall. 1999. How to Measure Customer Satisfaction. 1st Edition. Gower Publishing Limited. Aldershot. Great Britain.

Qibin Lu, Xiaoling Guo & Shenghui An. 2007. Factors behind Consumer Satisfaction: a Comparative Study on Chinese and Foreign Supermarkets in China Department of Marketing. University of International Business and Economics, Beijing, China. Accessed 6.5.2012. Available in www from

<<http://www.usimr.org/IMR-3-2007/v3n307-art5.pdf>>

Roger Hallowell .1996. The relationships of customer satisfaction, customer loyalty, and profitability: an empirical study. Harvard Business School, Boston, MA, USA. Accessed 10.5.2012. Available in www from

<http://voci.com.au/documents/link_between_profit_and_customer_satisfaction.pdf>

Robert C. Blattberg, Gary Getz & Jacquelyn S. Thomas. 2001. Customer Equity: Building and Managing Relationships as Valuable Assets. Harvard Business Press. Accessed 10.5.2012. Available in www from

<<http://books.google.com.hk/books?id=av9ysWUDsHAC&pg=PA71&dq=Customer+retention+and+customer+satisfaction&hl=zh-CN&sa=X&ei=o17FT42MCcWl4gSrvsyGCg&ved=0CE0Q6AEwBA#v=onepage&q=Customer%20retention%20and%20customer%20satisfaction&f=false>>.

Russ Lombardo. 2006. Cyber selling: using CRM technology to help you sell. Las Vegas, NV: Peak Sales. Accessed 10.5.2012. Available in www from

<http://books.google.com.hk/books?id=zJgHtWzpxdYC&pg=PA311&dq=companies+continue+to+spend+significantly+more+money+finding+new+customers+to+replace+the+lost+ones+rather+than+put+more+efforts+into+trying+to+retain+the+existing+customers.&hl=zh-CN&sa=X&ei=_G-6T6GKM-j_4QTg0Ly7CQ&ved=0CDYQ6AEwAA#v=onepage&q=companies%20continue%20to%20spend%20significantly%20more%20money%20finding%20new%20customers%20to%20replace%20the%20lost%20ones%20rather%20than%20put%20more%20efforts%20into%20trying%20to%20retain%20the%20existing%20customers.&f=false>

Sabel, Thomas (2010). Research methodology In: Research methodology in International Markin. Vaasa University of Applied Sciences

Suning Appliance (2009) Suning Appliance home/profile. Accessed 29.03.2012. Available in www from

<<http://www.cnsuning.com/include/english/C-jianjie.htm>>

Suning Appliance Subprovincial Administrative Region. Accessed 4.5.2012. Available in www from

<http://suning.ea3w.com/mall_list/list_21_291_1.shtml>

Shari Waters. How to Build Customer Loyalty, Practices to Keep Customers Coming Back. Accessed 10.5.2012. Available in www from

<<http://retail.about.com/od/customerservice/a/customer-loyalty.htm>>

Terry G. Vavra. 1997, Improving Your Measurement of Customer Satisfaction: A Guide to Creating, Conducting, Analyzing, and Reporting Customer Satisfaction Measurement Programs. Accessed 10.5.2012. Available in www from

<<http://books.google.fi/books?id=-B9KSO70sMMC&printsec=frontcover&dq=Improving+Your+Measurement+of+Customer+Satisfaction:+A+Guide+to+Creating+...&hl=zh-CN&sa=X&ei=YQfRT9XJDMjU4QSOHMy3Dw&ved=0CDAQ6AEwAA#v=onepage&q=Improving%20Your%20Measurement%20of%20Customer%20Satisfaction%3A%20A%20Guide%20to%20Creating%20...&f=false>>

Tse, D. K. & Wilton, P. C. (1988). Models of consumer satisfaction formation: an extension. Journal of Marketing Research

Vadim Kotelnikov.2001. The Prime Concern of Your Business and the Critical Component of Its Profitability. Ten3 Business e-Coach – Inspiration and Innovation. Accessed 10.5.2012. Available in www from

<http://www.1000ventures.com/business_guide/crosscuttings/customer_satisfaction.html>

Vance Christensen. 2006. Customer Experience: Customer Satisfaction vs. Customer Loyalty. Accessed 10.5.2012. Available in www from

<<http://www.tmcnet.com/channels/customer-experience-management/articles/936-customer-experience-customer-satisfaction-vs-customer-loyalty.htm#ixzz1vW4fYxzZ>>

Wei Yu. 2011. Improving Customer Satisfaction Case: Compass Foreign Languages Training Centre, China. Accessed 10.04.2012. Available in www from

<https://publications.theseus.fi/bitstream/handle/10024/34102/Wei_Yu.pdf?sequence=1>

Westbrook, Robert & Michael D. Reilly. 1983. Value-Percept Disparity: An Alternative to the Disconfirmation of Expectations Theory of Consumer Satisfaction, in Advances in Consumer Research, Richard P. Bagozzi and Alice M. Tybout, eds. Ann Arbor, MI: Association for Consumer Research.

Yi, Y. 1991. A critical review of customer satisfaction. In Zeithaml, V.a.(Ed.), Review of Marketing, Duke University, AMA.

Zhang Ximin. (2012). Marketing Management. Accessed 4.5.2012. Available in www from

<<http://doc.mbalib.com/view/8855c6cbcd053a56b78d7f4fe6b9e29.html>>

Zhang Zifan. 2011. The 66 Factors of Customer Satisfaction. Accessed 10.5.2012. Available in www from

<<http://www.51lieke.com/article/14098.html>>

Questionnaire

This questionnaire's is for the purpose of writing final thesis aim at investigating the customer satisfaction level of Suning Appliance chain store. The respondents' identities are definitely confidential.

Basic Information

1. Gender :
 - a. Female
 - b. Male
2. Age :
 - a. below 18
 - b. 18-24
 - c. 25-34
 - d. 35-44
 - e. 45-54
 - f. 55 and above
3. Income Level:
 - a. Less than 1000
 - b. 1000- 3000
 - c. 3000-5000
 - d. 5000-7000
 - e. More than 7000
4. Which store do you prefer to go shopping in your spare time?
 - a. Suning Appliance
 - b. Guomei Appliance
 - c. Gongmao Appliance
 - d. Others ()
5. Have you ever been to Suning store?
 - a. Frequently
 - b. Sometimes

c. No (Questionnaire end)

Overall Evaluation

6. Please rate your opinions of the importance of the following features according to your own preference.(1= Not very important, 2=Not important, 3=Neutral, 4= important, 5= Very important)

(1) Location	1	2	3	4	5
(2) Shopping environment	1	2	3	4	5
(3) Checkout time	1	2	3	4	5
(4) Cashiers' attitude	1	2	3	4	5
(5) Price tag's Clarity	1	2	3	4	5
(6) Value for the money	1	2	3	4	5
(7) Product quality	1	2	3	4	5
(8) product variety	1	2	3	4	5
(9) Product layout	1	2	3	4	5
(10)Staff performance	1	2	3	4	5

7. According to your shopping experience, please give your evaluation for the following aspects.(1= Disagree strongly, 2=Disagree slightly, 3=Neutral, 4= Agree slightly, 5= Agree strongly)

(1) Location: the store is easy to find.	1	2	3	4	5
(2) The store atmosphere is inspiring.	1	2	3	4	5
(3) The inside layout is appropriate.	1	2	3	4	5
(4) The store is clean and tidy.	1	2	3	4	5
(5) The checkout time is short.	1	2	3	4	5
(6) The cashier is friendly.	1	2	3	4	5

8. What kind of product have you recently bought from Suning store?

- a) Communication Products.(E.g. cell phone, fax machine etc.) **(to Q 9)**
- b) Computers. (E.g. Laptop, desktop, Scanner, printer. etc.) **(to Q10)**
- c) Consumer Appliance.(E.g. Television, fridge, air-condition.etc.)**(to Q11)**

9. Please rate your opinion of the following features according to your shopping experience in **Communication Product department** of Suning. Using the scale of 1 to 5. (1= Very Unsatisfied, 2= Unsatisfied, 3=Neutral, 4= Satisfied, 5= Very satisfied)

(1) Clarity of the price tag	1	2	3	4	5
(2) Value for the money	1	2	3	4	5
(3) Product quality	1	2	3	4	5
(4) product variety to meet your needs	1	2	3	4	5
(5) Ease of finding the product you were looking for	1	2	3	4	5
(6) The politeness of the staff	1	2	3	4	5
(7) The help of the staff	1	2	3	4	5
(8) The instructions of the staff	1	2	3	4	5
(9) The efficiency of the staff	1	2	3	4	5
(10)After-sale service	1	2	3	4	5
(11)Overall satisfaction	1	2	3	4	5

10. Please rate your opinion of the following features according to your shopping experience in **Computer department** of Suning. Using the scale of 1 to 5. (1= Very Unsatisfied, 2= Unsatisfied, 3=Neutral, 4= Satisfied, 5= Very satisfied)

(1) Clarity of the price tag	1	2	3	4	5
(2) Value for the money	1	2	3	4	5
(3) Product quality	1	2	3	4	5
(4) product variety to meet your needs	1	2	3	4	5
(5) Ease of finding the product you were looking for	1	2	3	4	5
(6) The politeness of the staff	1	2	3	4	5
(7) The help of the staff	1	2	3	4	5
(8) The instructions of the staff	1	2	3	4	5
(9) The efficiency of the staff	1	2	3	4	5
(10)After-sale service	1	2	3	4	5
(11)Overall satisfaction	1	2	3	4	5

(1) Clarity of the price tag	1	2	3	4	5
(2) Value for the money	1	2	3	4	5
(3) Product quality	1	2	3	4	5
(4) product variety to meet your needs	1	2	3	4	5
(5) Ease of finding the product you were looking for	1	2	3	4	5
(6) The politeness of the staff	1	2	3	4	5
(7) The help of the staff	1	2	3	4	5
(8) The instructions of the staff	1	2	3	4	5
(9) The efficiency of the staff	1	2	3	4	5
(10)After-sale service	1	2	3	4	5
(11)Overall satisfaction	1	2	3	4	5

12. What's your opinion on the opening time of Suning (9:00 am-21:00 pm)?

- a) It is better earlier in the morning.
- b) It is better later in the evening
- c) I'm happy with it
- d) I don't care
- e) Others. ()

13. How did you feel about Suning's overall performance?

- a) Much worse than I expected
- b) A little worse than I expected
- c) As I expected
- d) A little better than I expected
- e) Much better than I expected

14. Will you recommend Suning to someone else?

- a) Yes ()

b) No ()

15. Do you have any recommendations or suggestions to Suning?

16. Do you have any comments to this questionnaire?

Thank you for your time and cooperation!

APPENDIX 2

苏宁电器客户满意度问卷调查

尊敬的各位，恳请您能协助完成以下关于苏宁电器客户满意度的问卷调查。填写这份问卷只需花费几分钟的时间。本问卷仅供学术研究，绝对保密，不会泄露填写者的个人信息，本问卷着重调查苏宁电器实体店的客户满意度，请您依照个人对电器类产品的购物经历填写下列问卷，十分感谢你的参与！

1. 您的性别：
 - A. 男
 - B. 女
2. 您的年龄是：
 - A. 18 岁以下
 - B. 18-24
 - C. 25-34
 - D. 35-44
 - E. 45-54
 - F. 55 岁以上
3. 您的月收入：
 - A. 1000 以下
 - B. 1000- 3000
 - C. 3000-5000
 - D. 5000-7000
 - E. 7000 以上
4. 您平时喜欢去哪些商城购物？
 - A. 苏宁电器
 - B. 国美电器
 - C. 工贸家电
 - D. 其他 ()
5. 您是否去过苏宁电器？
 - A. 经常
 - B. 偶尔
 - C. 没去过(问卷结束)

6. 请您依据个人喜好，评定下列各项在您购物过程中的重要性。（1=很不重要，2=不重要，3=中立，4=重要，5=很重要）

1) 店铺位置	1	2	3	4	5
2) 店内购物环境（比如灯光，噪音）	1	2	3	4	5
3) 结账时间	1	2	3	4	5
4) 收银员态度	1	2	3	4	5
5) 价格牌描述清晰度	1	2	3	4	5
6) 产品性价比	1	2	3	4	5
7) 产品质量	1	2	3	4	5
8) 产品种类	1	2	3	4	5
9) 产品摆放方式	1	2	3	4	5
10) 店员的接待	1	2	3	4	5

7. 根据您在苏宁的购物经历，请对以下选项作出评价。（1=很不同意，2=不同意，3=中立，4=同意，5=非常同意）

1) 店铺位置适中 易于发现.	1	2	3	4	5
2) 店内购物环境不错（比如灯光，噪音）	1	2	3	4	5
3) 店内布局合理.	1	2	3	4	5
4) 店内干净整洁	1	2	3	4	5
5) 结账方便快捷.	1	2	3	4	5
6) 收银员态度友好	1	2	3	4	5

8. 您近期在苏宁购买过一下哪种产品？

- A. 通讯类.(比如手机，传真机，对讲机等等) (到问题 9)
- B. 电脑类. 比如台式，笔记本，复印机，扫描机等等) (到问题 10)
- C. 家电类.(比如电视，冰箱，空调等等) (到问题 11)

9. 结合您在苏宁电器通讯产品的购物经历, 请您对以下方面给予评价. (1=非常不满意, 2=不满意, 3= 中立, 4=满意, 5=非常不满意)

1) 价格牌描述清晰度	1	2	3	4	5
2) 产品性价比	1	2	3	4	5
3) 产品的质量	1	2	3	4	5
4) 产品的种类	1	2	3	4	5
5) 产品的摆放方式	1	2	3	4	5
6) 店员的礼貌度	1	2	3	4	5
7) 店员的帮助	1	2	3	4	5
8) 店员的解说	1	2	3	4	5
9) 店员的办事效率	1	2	3	4	5
10) 售后服务	1	2	3	4	5
11) 整体满意度	1	2	3	4	5

10. 结合您在苏宁电器电脑产品的购物经历, 请您对以下方面给予评价. (1=非常不满意, 2=不满意, 3= 中立, 4=满意, 5=非常不满意)

1) 价格牌描述清晰度	1	2	3	4	5
2) 产品性价比	1	2	3	4	5
3) 产品的质量	1	2	3	4	5
4) 产品的种类	1	2	3	4	5
5) 产品的摆放方式	1	2	3	4	5
6) 店员的礼貌度	1	2	3	4	5
7) 店员的帮助	1	2	3	4	5
8) 店员的解说	1	2	3	4	5
9) 店员的办事效率	1	2	3	4	5
10) 售后服务	1	2	3	4	5
11) 整体满意度	1	2	3	4	5

11. 结合您在苏宁电器家电产品的购物经历, 请您对以下方面给予评价. (1=非常不满意, 2=不满意, 3= 中立, 4=满意, 5=非常满意)

1) 价格牌描述清晰度	1	2	3	4	5
2) 产品性价比	1	2	3	4	5
3) 产品的质量	1	2	3	4	5
4) 产品的种类	1	2	3	4	5
5) 产品的摆放方式	1	2	3	4	5
6) 店员的礼貌度	1	2	3	4	5
7) 店员的帮助	1	2	3	4	5
8) 店员的解说	1	2	3	4	5
9) 店员的办事效率	1	2	3	4	5
10) 售后服务	1	2	3	4	5
11) 整体满意度	1	2	3	4	5

12. 请问您对苏宁的营业时间有什么看法 (早上 9 点到晚上 9 点)?

- A. 早上可以再早一些
- B. 晚上可以再晚一些
- C. 我觉得很合适
- D. 无所谓
- E. 其它.()

13. 您觉得苏宁是否达到了你去购物之前的期望值?

- A. 远远低于期望
- B. 稍稍低于期望
- C. 与期望相符合
- D. 稍稍高于期望
- E. 远远高于期望

14. 您会向别人推荐苏宁吗, 为什么?

- A. 会 ()

B. 不会()

15. 请问您对苏宁有哪些意见或者建议？

--

16. 非常感谢您百忙之中抽出时间填写这份问卷，如果您对本次问卷有什么评价可以填于下表。

--

谢谢您的参与！

APPENDIX 3

Group interview questions

Group interview 1 (New customers)

1. How do you feel about this shopping experience?
2. What's the most intolerable thing during the whole shopping process?
3. Which aspect were you satisfied most with Suning ?
4. Will you recommend Suning to your friends? Why or why not.
5. Will you re-buy anything from Suning?
6. What's your evaluation of Suning's overall performance?

Gruop interview 2 (Lost cusotmers)

1. Can you briefly introduce your unpleasant shopping experience?
2. What was the direct reason for your leaving?
3. Which aspect do you think Suning should change?
4. Which aspect do you think Suning need to improve?
5. If Suning become better, will you re-buy anything there? Why?