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Customer Satisfaction Survey of Haidilao (Nan Jing)

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Customer Satisfaction Survey of Haidilao (Nan Jing)

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The main objectives of this thesis project were to investigate the level of service, identify attributes that influence customer satisfaction and enhance the service quality of Haidilao. The variables included in this research were service, quality of food, environment and price as independent variables and customer satisfaction as the dependent variable.

A survey questionnaire was constructed by determining the actual need of the research purpose which consisted of demographic factors as well. The research questionnaires were typically based on the service, food, environment and price of foods of Haidilao as they were directly related to the service quality. 170 respondents were selected as a sample. The respondents were the customers and staff of Haidilao.

Based on the descriptive analysis, the service of food and the environment of Haidilao can be said to have an impact on the customer satisfaction.

The management of Haidilao can utilize these results to improve the customer satisfaction and to enhance service quality.

Key words customer service, customer satisfaction, service quality

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1 Introduction

1.1 Study background

One of the most effective and least expensive ways to market a business is through excellent customer service. (Harris 2007, 2) Customer service has always played an important role in people's lives and customer have varying level of satisfaction.

Every customer comes into the customer situation with different wants. While these wants are frequently hard to identify and many may occasionally be unrealistic, all customers have the following five basic needs: service, price, quality, action and appreciation. According to Harris (2006, 5) customers evaluate service quality by comparing what they expect to what they get.

As Abdullah and Rozario (2009) mentions that Service quality is an attitude or global judgment about the superiority of a service. To be globally competitive service industries must achieve a quality service that exceeds customers' expectations. Service quality determines an organization's success or failure. Companies and organizations that virtually every industry employs customer satisfaction measures for the straightforward reason that satisfied customers are essential for a successful business.

Harris (2006, 5) wrote that service quality also determines a customer's satisfaction. However, the determinants of service quality are complicated with the dynamic business environment. Therefore, this measurement dimensions depend on the industry itself. Customers expect the service that they think is appropriate for the level of purchase that they are making. Therefore, it is important for managers who provide services constantly to keep track of information about the organization's well-being as far as meeting its customers' needs are concerned.

Abdullah and Rozario (2009) also write that service organizations are trying to find ways to improve and provide superior quality service to satisfy their customers. Satisfying customers is the ultimate goal for every organization, as customers are the greatest resources, both short-term and long term survival of the organization.

With the improvement of the Chinese people's living standards, social consumption demand has greatly changed, especially in terms of dining, people in China spend about 300,000,000,000 RMB eating hotpot every year, and research proves it is still increasing at a rate of about 14% per annual. This shows us a big demand and market. Customers want a better taste, to eat healthily. To adapt to this change, the catering enterprise have made

some improvement. In the hotpot industry, they have branded restaurants for example Xiaofeiyang, Xiaowei yang, Feiniu. And Haidilao as the most popular and rapidly growing hotpot restaurant has been chosen as the case company of this thesis.

1.2 Purpose of the thesis

The main objective of this thesis is to research the level of customer satisfaction in the Haidilao Hotpot restaurant. A questionnaire will be designed to collect data. Base on the collected data; give some feasibility suggestion of improvement. Define the key element effect customer satisfaction; try to figure out what customers think and exhumes customers' potential demand. What Haidilao need to improve; Determine the advantages and disadvantages of the Haidilao, found that the opportunity to improve service, meanwhile seek for improvement Solution and make the rules to improve.

1.3 Theoretical approaches

This thesis focuses on two main parts: customer service and customer satisfaction. Definition and importance of customer service and customer satisfaction will be explained in theoretical part and also relation between customer and customer satisfaction.

Anything we do for the customer that enhances the customer experience is customer service. (Harris 2007, 2)

Service quality also determines a customer's satisfaction. However, the determinants of service quality are complicated with the dynamic business environment. Therefore, this measurement dimensions depend on the industry itself. Customers expect the service that they think is appropriate for the level of purchase that they are making. (Harris 2006, 5).

1.4 Research approach

The main research context is to investigate customer service and customer satisfaction of Haidilao. Questionnaire will be used in this research for data collection and analysis. Questionnaire is going to put into the case company for 150 questionnaires answer from customers. Data will be put into SPSS software for a better analysis.

1.5 Framework of the thesis

This thesis is divided into 6 parts as shown in Figure 1.

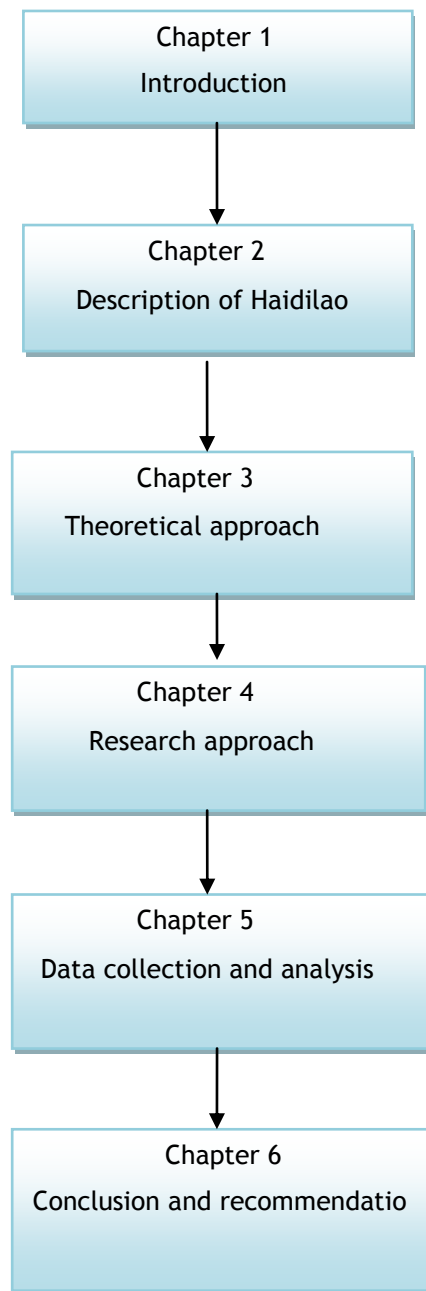


Figure 1: Structure of the thesis

The first chapter includes: study backgrounds, purpose of the thesis, theoretical approach, research approach and framework of this thesis.

The second chapter offers a description of the case company: Haidilao Food CO.Ltd

The third chapter describes theoretical approach, this chapter introduces the knowledge of customer service, customer satisfaction, the importance of customer service and customer satisfaction and how customer service effect customer satisfaction.

The fourth chapter is research approach, this chapter gives an explanation of research methods, a research proposal and a research plan will also explained.

The fifth chapter gives data collection and analysis, this chapter shows the collected data and result after using analysis software.

Conclusion and recommendation: In chapter six, conclusion will be presented base on the data collection and research result from Chapter 5. And some recommendation will also give to the case company for future improves.

1.6 Limitation of study

As author mention in the framework, description about the case company is in the next Chapter, Haidilao is a an Hotpot restaurant which have 71 direct-sale stores, the questionnaire can only be distribute in two stores in Nanjing, However that cannot present the whole customer satisfaction situation of Haidilao Hotpot restaurant.

Also Elaine K mentions in her book that survey do not always reflect reality because one of the common methods of measuring customer satisfaction is survey and questionnaire, frequently, the primary customer who take time to respond the survey are those customers who dissatisfied with their experience or those customers who hope to gain from their comments. Satisfied customers may not take time to express their satisfaction and therefore may not be included in the overall picture of satisfaction.

2 Description about the case company: Haidilao Food Co.Ltd

The case company of this thesis is SiChuan Haidilao Hot Pot Food CO. ltd. Headquarters located in Beijing. Have around 20000 employees over all in all the direct-sale stores. Slogan of the company is: service first and customer first.

The first Haidilao Hot Pot restaurant was establish in 1994, and over the past decade , the company has developed to 71 direct-sale store in 15 cities in China like Beijing, Shanghai, Xi'an, Zhengzhou, Tianjin, Nanjing, And now has also successfully developed the first direct-sale store in Canada. Also plan to develop two direct-stores in America this year.

Haidilao Food Co.Ltd. Now have four large modern logistics base, a base material production base. Four large distribution centers were set up in Beijing, Shanghai, Xi'an and Zhengzhou, use "procurement scale, mechanized production , warehousing standardization , distribution modernization" for the purpose of forming a set of procurement, processing, warehousing, distribution as one of the major logistics supply system. Raw material production base in Chengdu, its products have passed the HACCP certification, QS certification and ISO international quality management system certification.

The company has now won the " advanced enterprise ", " consumer satisfaction" , "famous hot pot " and dozens of titles and honors in Sichuan, Shaanxi, Henan and other provinces, innovative features service has won "five star" hot pot shop reputation. From 2008 to 2012 for five consecutive years won the public comment "Most Popular Top 10 hot pot." Meanwhile five consecutive years won the" China Food hundred enterprises" honorary title. May 27, 2012 "Haidilao" trademark was awarded "China Famous Brand."

3 Theoretical backgrounds

3.1 What is Customer service and how it means to business

Anything we do for the customer that enhances the customer experience is customer service. (Harris 2007, 2)

3.1.1 Definition of customer service

Nowadays economy, competition is everywhere, every customer comes into the customer situation with different want, while wants are hard to identify, and all customer have to follow five basic needs: service, price, quality, action and appreciation. (Harris 2007, 5)

3.1.2 The importance of customer service

Customer are an obvious requirement for doing business, the important of customer service is at an all-time high. Business are realizing that providing a product or service alone is not enough for today's competitive economic environment. (Harris 2007, 2)

This chapter lists some reasons from Mary D. on 2013 why it is important to have excellent customer service. First it keeps customer happy, as keep customer happy is the most important thing you can do for your company. Second it determines how you do against the competition. If you competitor have much more good customer service then you will quite

certain that you competitor do better than you. Third of all it says a lot of how long you will make it. The last one is it help your public imagine.

3.1.3 Barriers to excellent customer service

Customer service is a valuable concept that it seems be simple to provide however it is not. There is a lot of barriers effect to excellent customer service. Author will list 10 barriers that Elaine K. mentions in her book:

- 1) Laziness
- 2) Poor communication skills
- 3) Poor time management
- 4) Attitude
- 5) Moodiness
- 6) Lack of adequate training
- 7) Inability to handle stress,
- 8) Insufficient authority,
- 9) Serving customer on autopilot
- 10) Inadequate staffing.

Some barriers to excellent customer service are within the control of customer service provider. These challenges can be overcome through diligent effort, allowing the customer service provider to do the possible job.

3.1.4 How to improve customer service

However steps listed as follow can improve customer service:

- 1) Become familiar with your customer
- 2) Ask your customer what their expectations are
- 3) Tell your customer what they can expect
- 4) Live up to their expectation
- 5) Maintain consistency
- 6) Communicate with the customer using the method they want to use.

Communication shows is an effective way to improve customer service.

Five main methods of communication are used as follow: listening, writing, talking, reading and nonverbal expression. And listening is thought by many to be the most important method of communication.

When dealing with customers, some words are more positive and appropriate to use:

Words to use	Words to avoid
Please	Can't
Yes	never
May	You have to
Consider this	I don't know
Would you like	Not my job

Table 1: Positive words when dealing with customers (Harris 2007, 79)

3.1.5 Element of good service

Perfect customer service need process, contact persons, systems, printed material, environment and contingency plans.

1. Respect. Respect the fact that customers make profits for us. Make them feel important and appreciated and treat them as individuals. Remain polite, even if they are asking irritating questions, and thank them every time you get the chance.
2. Understanding. Understand, identify, and anticipate needs. Customers don't really buy products or services; they buy solutions to problems. The better we solve those problems, the more appreciative they are, and the better their experiences in dealing with your business. The better you know your customers, the better you can anticipate their needs.
3. Listening. Keep your ears and eyes open. Hear what the market says, open dialogues and be a good listener. Identify customer needs by asking questions and concentrating on what the customer is really saying. Effectively listening to the customer and giving him or your undivided attention, even in an online environment, are particularly important.

Always welcome feedback and suggestions from your customers about your service and your product. Provide methods that allow them to offer constructive criticism, comments, and suggestions.
4. Responding. You has to respond positively. It is not saying that you must change your entire business model or product line to suit the demands of various customers. Seek ways to help your customers and give them what they are looking for without compromising your company or products.

5. Serving. Essentially this means fulfilling your promises.

Help customers understand your systems. Your organization may have the world's best systems for getting things done, but if customers don't understand them, they can get confused, impatient, and angry. Take time to explain how your systems work and how they simplify transactions. And thank people for giving your company their valuable time, even when they don't buy.

3.2 What is customer satisfaction and what to measure it

3.2.1 Definition of customer satisfaction

Customer satisfaction is the customer's overall feeling of contentment with a customer interaction (Harris 2007, 2)

3.2.2 The importance of customer satisfaction

Customer satisfaction measurement is one of the most important issues concerning business organizations of all type, which is justified by the customer orientation philosophy and the main principles of continuous improvement of modern (Evangelos & Yannis 2010, 1)

According to the U.S. Consumer Affairs Department, it costs five times more to gain a new customer than to keep a current customer, with just a 5% increase in customer retention; one company can raise its profitability by 25% and in some times as much as 85%. Similar research also shows that the longer a company keeps a customer, the more money it will make. This fact happens because consumers spend money slowly at first, but as time passes they find they have good experience, their spending will increase. (Evangelos & Yannis 2010, 56)

Generally, the main reasons for measuring customer service are summarized in the following (Evangelos & Yannis 2010, 2)

- Customer satisfaction constitutes the most reliable market information. This way, a business organization is able to evaluate its current position against competition, and accordingly design its future plan. (Evangelos & Yannis 2010, 2)
- A large number of customers avoid expressing their complaints or their dissatisfaction from the product or service provided, either due to particular attitude or

because they are not sure that the company will perform any corrective action. (Evangelos & Yannis 2010, 2)(Figure 2 below)

- Customer satisfaction measurement is able to identify potential market opportunity. (Evangelos & Yannis2010, 2)
- The main principles of continuous improvement require the development of a specific customer satisfaction measurement process. This way, any improvement action is based on standards that take into account customer expectations and needs. (Evangelos & Yannis2010, 2)
- Customer satisfaction measurement may help business organizations to understand customer behavior, and particular to identify and analyze customer expectations, needs, and desires. (Evangelos & Yannis 2010, 2)
- The application of customer satisfaction measurement program may reveal potential difference in the service quality perceptions between the customer and the management of the business organization. (Evangelos & Yannis 2010, 2)

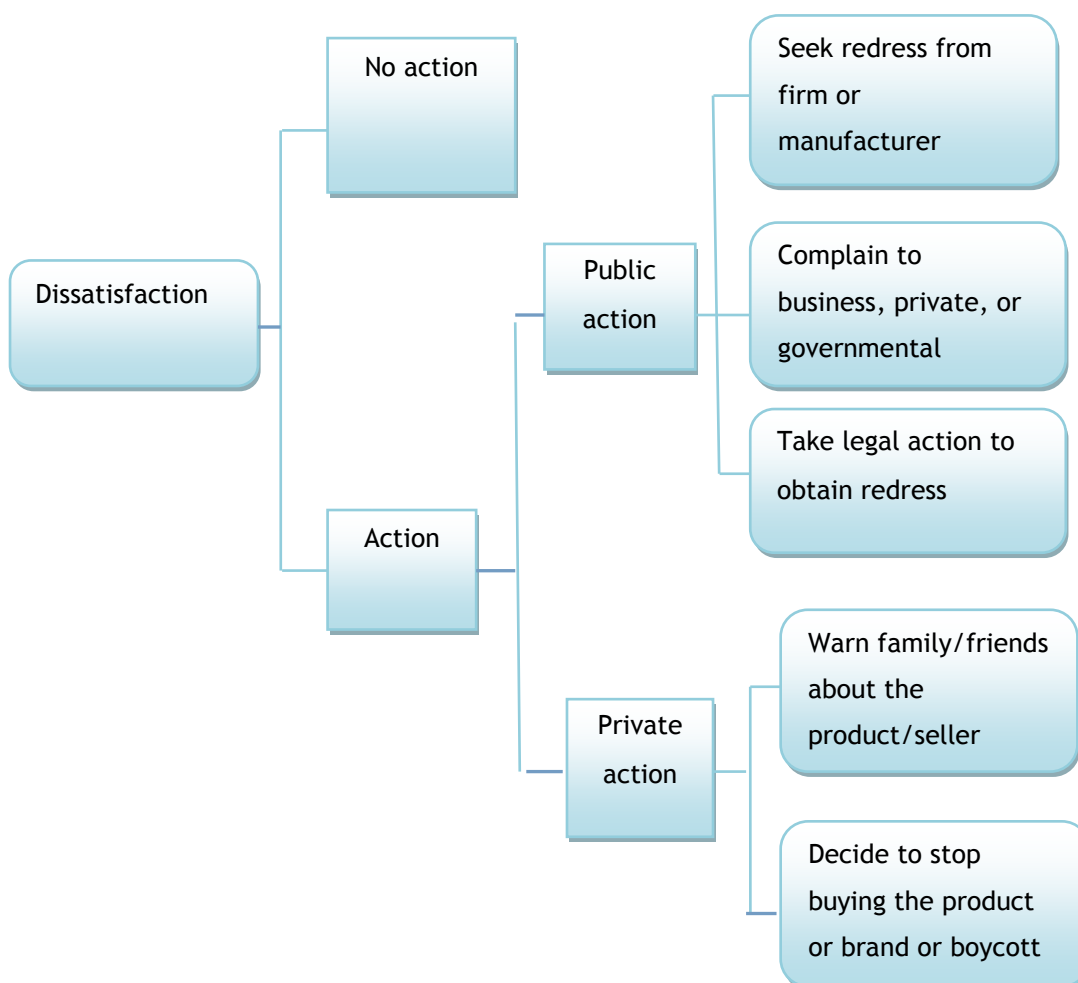


Figure 2: Dissatisfaction customer complaint behavior (Day and London, 1977)

3.2.3 How to measure customer satisfaction

Customer satisfaction measurement efforts are usually integrated programs within business organizations, which include not only customer satisfaction metrics, but also other related measures, like customer loyalty and value. Moreover, multiple measures are used for evaluation of customer satisfaction. Since a single indicator is usually a not good predictor of overall performance. The use of multiple satisfaction measure is justified by the following reasons (Czarnecki 1999, 37)

- Satisfaction is related to the overall consumer behavior. For this reason, the use of a single measure is not able to provide reliable information.
- The use of multiple satisfaction measures is able to verify the integrity and accuracy of collected data.

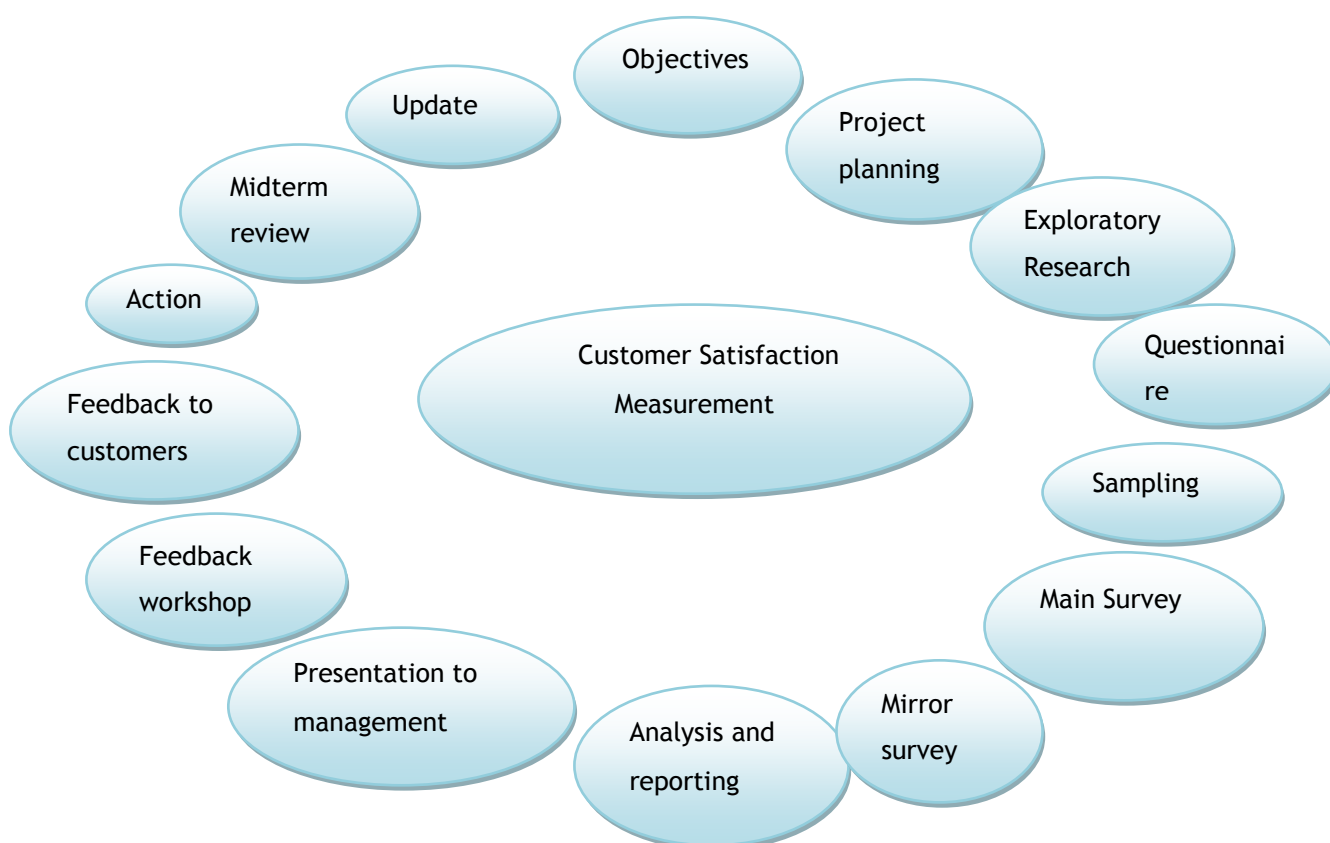


Figure 3: An overview of the CSM process

(How to measure customer satisfaction, Hill, Brierley & MacDougall 2003, 4)

And there are two factors, determine the accuracy of customer service satisfaction results more than others: asking the right question and asking the right customer.

The book 'improving customer satisfaction, loyalty and profit' author gives the concept lens of customer. Customer sees outcomes, resulted and benefits.

Scott Smith wrote in his webpage that there are four steps to measure customer satisfaction.

1. Overall satisfaction measure

Example question: overall how do you satisfied with Haidilao restaurant

This simple question shows the overall opinion of a consumer's satisfaction.

The single greatest predictors of customer satisfaction are the customer experiences that result in attributions of quality.

Perceived quality is often measured in one of three contexts:

1. Overall quality
2. Perceived reliability
3. Extent of customer's needs fulfilled

It is commonly believed that dissatisfaction is synonymous with purchase regret while satisfaction is linked to positive ideas such as "it was a good choice" or "I am glad that I bought it."

2. Loyalty Measurement (Affective, Behavioral)

Example question: Would you recommend "Haidilao" to your family and friends?

This question measure is the core NPS (Net Promoter Score) measure.

Customer loyalty reflects the likelihood of repurchasing products or services. Customer satisfaction is a major predictor of repurchase but is strongly influenced by explicit performance evaluations of product performance, quality, and value.

Loyalty is often measured as a combination of measures including overall satisfaction, likelihood of repurchase, and likelihood of recommending the brand to a friend.

A measure of loyalty might be the sum of scores for the following three questions:

- Overall, how satisfied are you with Haidilao
- How likely are you to continue to choose Haidilao
- How likely are you to recommend Haidilao to a friend or family member?

3. A Series of Attribute Satisfaction Measurements (Affective and Cognitive)

Example question: How satisfied are you with the “taste” of Haidilao

Example question: How important is “taste” in your decision to select Haidilao

Affect (liking/disliking) is best measured in the context of product attributes or benefits. Customer satisfaction is influenced by perceived quality of product and service attributes, and is moderated by expectations of the product or service. The researcher must define and develop measures for each attribute that is important for customer satisfaction.

Consumer attitudes toward a product develop as a result of product information or any experience with the product, whether perceived or real.

4. Intentions to Repurchase Measurements (Behavioral Measures)

Example question: Do you intend to return to the Haidilao in the next 30 days?

When wording questions about future or hypothetical behavior, consumers often indicate that “purchasing this product would be a good choice” or “I would be glad to purchase this product.” Behavioral measures also reflect the consumer’s past experience with customer service representatives.

Satisfaction can influence other post-purchase/post-experience actions like communicating to others through word of mouth and social networks.

3.2.4 How to improve customer satisfaction

Valeria Maltoni wrote in her article that she recommends, Confirm customers they made the right choice, tell the customer what they just bought or get, Give them something to share, Get there early.

Derek Halpern gives some other tips

1. Justify the sale with social proof
2. Surprise customer with a bonus
3. Offer free product training and support
4. The bottom line: Made the sale does not mean the work is over, make a one-time customer to a loyal customer.

3.3 Methodological approaches

Customer satisfaction research methodologies may be divided, according to their content and objectives, into qualitative and quantitative research (Dutka, 1995).

Qualitative research is listed as follow:

Type of research	Advantages	Disadvantages
In-depth interviews	Complex questions can be explored	Cost is greater than with other methodologies Number of completed interview is smaller
Focus groups	Heterogeneity may cause creative argument	It is difficult to analyze in detail the group attitudes and expectation

Table 2: Comparing main qualitative research options (Evangelos & Yannis 2010, 173)

Quantitative research is listed as follow:

Type of research	Advantages	Disadvantages
Mail surveys	Cost is sometime lower Customers may decide how and when they will responder	Response rate is generally much slower than other methodologies
Personal interviews	It is a two way communication that allows explanations and prompts	The cost is relatively high, especially in business markets. Interviewers should be well trained
Telephone surveys	cost is lower than with personal interview and may not be greater than mail survey	Interview should maintain responders' interest and concentration

Table 3: Comparing main quantitative research option (Evangelos & Yannis 2010, 175)

The first and one of the important stages of a customer satisfaction measurement program concerns the survey planning. The general process of a customer satisfaction survey planning is presented in Figure 6:

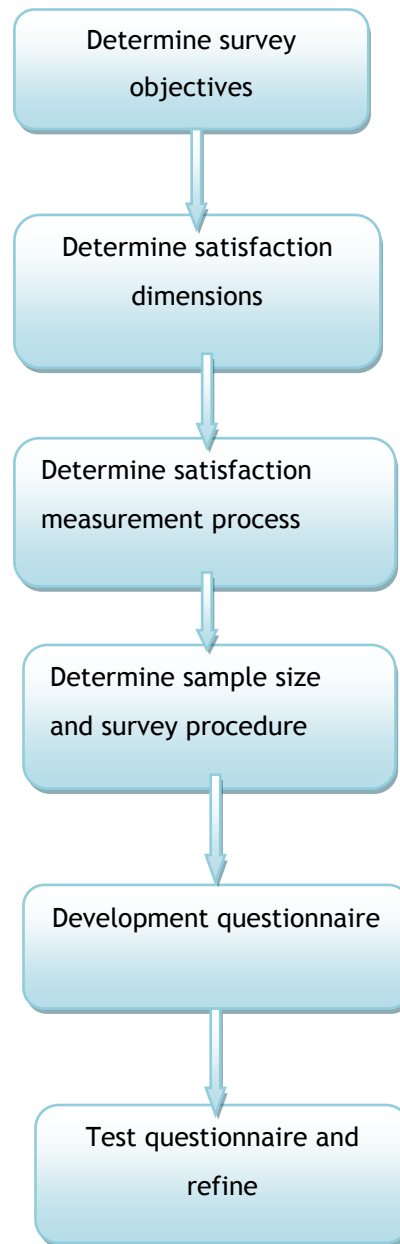


Figure 3: Main steps in customer satisfaction survey planning (Evangelos & Yannis 2010, 177)

There are several methods for obtaining information about customer satisfaction. The following list includes some possible sources: informal surveys, comment cards, verbal comments, historical data, sales, corporate generated survey, and discussion with internal customers, focus group, toll free phone numbers and customer intelligence information.

3.3.1 Validity

The validity and reliability are two main factors which can play important role if a research is to be judged, Validity is in quantitative research: validity determines whether the research

truly measures that which it was intended to measure or how truthful the research results are. (Nahid, 2003). Validity is the extent to which a test measures what it claims to measure. It is vital for a test to be valid in order for the results to be accurately applied and interpreted. Validity isn't determined by a single statistic, but by a body of research that demonstrates the relationship between the test and the behavior it is intended to measure. Marilyn & Janet (2011, 203).

Three type of validity: content validity, criterion related validity and construct validity. There are two different types of criterion validity: Concurrent Validity occurs when the criterion measures are obtained at the same time as the test scores. Predictive Validity occurs when the criterion measures are obtained at a time after the test.

3.3.2 Reliability

Reliability refers to the consistency of a measure. A test is considered reliable if we get the same result repeatedly. For example, if a test is designed to measure a trait, then each time the test is administered to a subject, the results should be approximately the same. Unfortunately, it is impossible to calculate reliability exactly, but it can be estimated in a number of different ways. Reliability as the extent to which results are consistent over time and an accurate representation of the total population under study is referred to as reliability, and if the results of a study can be reproduced under a similar methodology, then the research instrument is considered to be reliable. (Nahid, 2003)

Here are four ways estimate reliability:

Inter-Rater or Inter-Observer Reliability: Used to assess the degree to which different raters/observers give consistent estimates of the same phenomenon.

Test-Retest Reliability: Used to assess the consistency of a measure from one time to another.

Parallel-Forms Reliability: Used to assess the consistency of the results of two tests constructed in the same way from the same content domain.

Internal Consistency Reliability: Used to assess the consistency of results across items within a test.

4 Empirical study

4.1 Background of the case company and SWOT analysis

4.1.1 Background of Haidilao

The case company of this thesis is SiChuan Haidilao Hot Pot Food CO. Ltd. Headquarters located in Beijing. Haidilao have around 20000 employees over all in all the 71 direct-sale stores. Always treat customers first and Slogan of the company is: service first and customer first.

The first Haidilao Hot Pot restaurant was establish in 1994, and over the past decade , the company has developed to 71 direct-sale store in 15 cities in China like Beijing, Shanghai, Xi'an, Zhengzhou, Tianjin, Nanjing, And now has also successfully developed the first direct-sale store in Canada. Also plan to develop two direct-stores in America this year.

4.1.2 SWOT analysis of Haidilao

To achieving the objective and avoid the risk SWOT analysis is very important. The strengths and the weakness are presented the internal factors and the opportunities and threats are presented the external factors. The objective is to outline the strengths, reveal the weaknesses, explore opportunities and define the threat for the Haidilao Hot Pot.

The following figure 4 shows, the strength of the company is its' service, new and attractive business model, along with developing direct-sale store. These advantages help the company to have constant revenue and attract a large number of customers. However, international economy has been decrease and growth of domestic economic have been slow down and the increase rate of unemployment causes customer's low consumption.

In terms of strengths and weakness, the opportunity is hot pot as local characteristics become more popular in the country, and China is a big country with huge consumption.

Threats for Haidilao is Consumers eating habits have changed, people know how to like a healthy life and sometime prefer to stay home have some salad. Imitate from same industry is also a big threat for Haidilao. As a fast growth company, Haidilao' success has makes a good sample for other company to learn especially same industry.

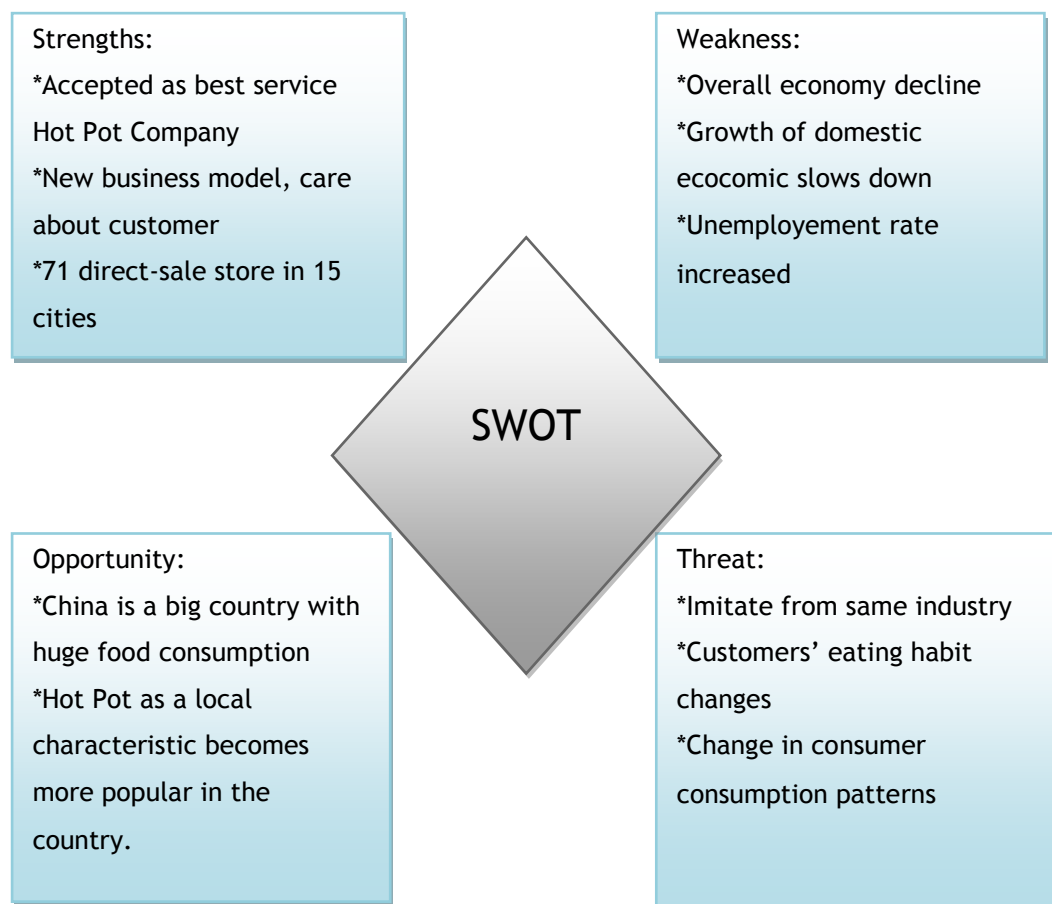


Figure 4: SWOT analysis of Haidilao

4.2 Research method

In this case, author use informal survey which can provide insights about what customers like and dislike. Comment card is also use as the last question of this survey is an open question asks for comment and suggestion.

Research method explains how the data collected and analyzed.

4.3 Questionnaire design

Before a new survey can carry out, a questionnaire will be needed to design. And for respondents who answer the survey, first item to consider is whether respondents will process the knowledge the question. Second item is whether the respondents will understand the question. Third one is introducing bias.

This questionnaire is designed by 20 questions, 19 of them are rating questions and the last one is an open question ask for advice and suggestion. The aim of this questionnaire is to research the service level and customer satisfaction of Haidilao Hot Pot.

The questionnaire was post on 51diaocha.com, also distribute in store for data collection. 170 answers were collected for analyzed. The collected data is also analyzed by the website program.

5 Data collection and analysis

5.1 Data sampling

For the quantitative empirical study section, the questionnaire for customer satisfaction survey was post on website www.51diaocha.com for people who have already visited Haidilao. In order to obtain a certain quantity of answers, the author's friends, families and relatives who visited Haidilao were also invited to help with the questionnaire survey.

5.2 Data collection procedure

The main instrument of the data collection for this study is the preparation of a well-structured questionnaire. Questionnaire has a significant impact on the results and research as for this research and thesis. Data collected through questionnaire will provide the data to the research which can be trusted and reliable compared to others. The importance of the questionnaire for the research and the results gained are only as reliable as the tool used to collect the result.

This chapter includes data presentation and analysis, all the data below is going to be analyzed in detail. The purpose of this survey is to find out the customer satisfaction of Haidilao hot pot and give some suggestion based on the survey, 170 responder fill in this questionnaire.

Gender of customer

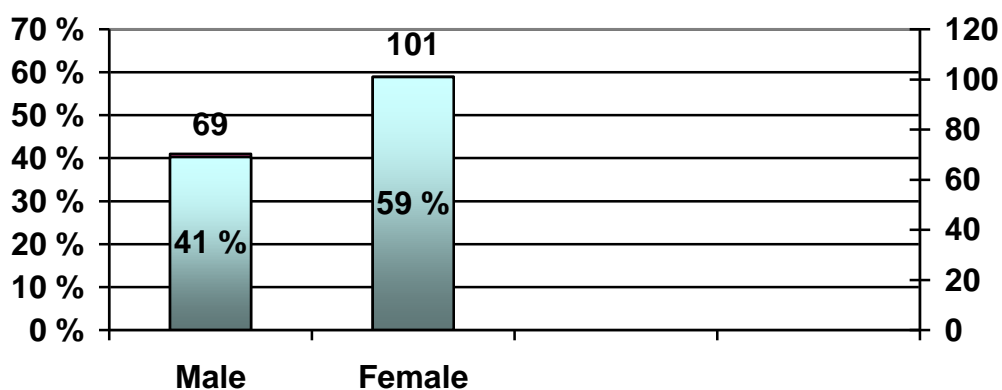


Figure 5: Gender of customer

Figure 5 shows that out of 170 respondents, 69 of customers are male and 101 customers are female, 59% versus 41%, female respondents are more than male respondents.

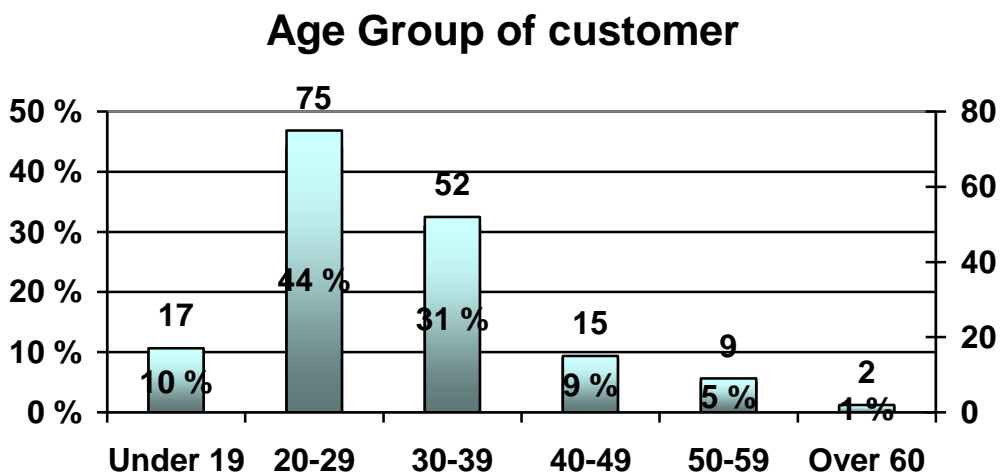


Figure 6: Age group of customer

Figure 6 shows the age group of Haidilao hot pot. The age of 20 to 29 is the highest age group respondents. 75 of 170 respondents are from this age group; take 44% of all the respondents. Only 2 respondents are over 60 years of age, take only 1 % of whole respondents. Shows that most of the customers of Haidilao Hot Pot are from age 20-39, total amount 127, take 74%.

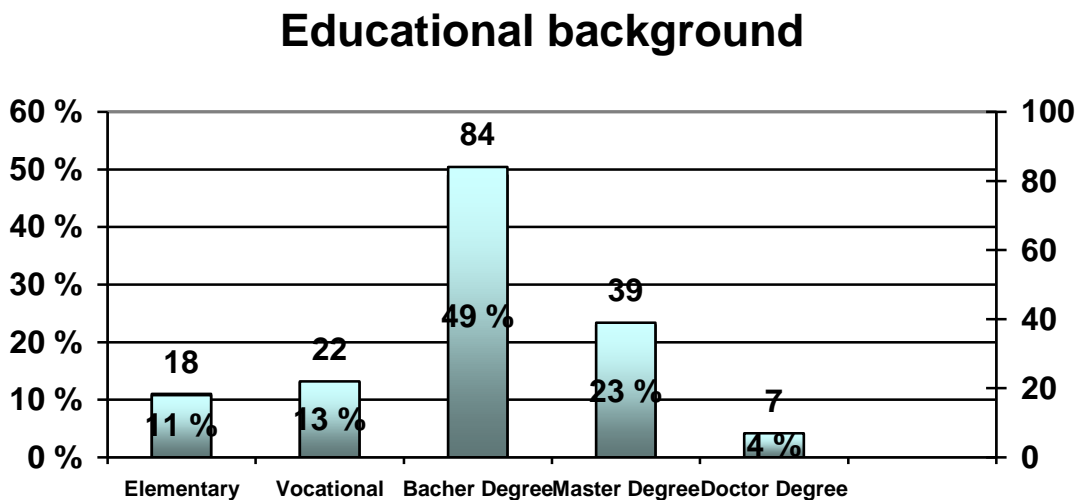


Figure 7: Education background of customer

It shows in Figure 7 that almost half of the customer has Bachelor Degree University education, 23% respondents have master degree university education and 3% have Doctor Degree education, which shows the result that 76% of customers have Bachelor Degree or higher education.'

Monthly incoming of customer

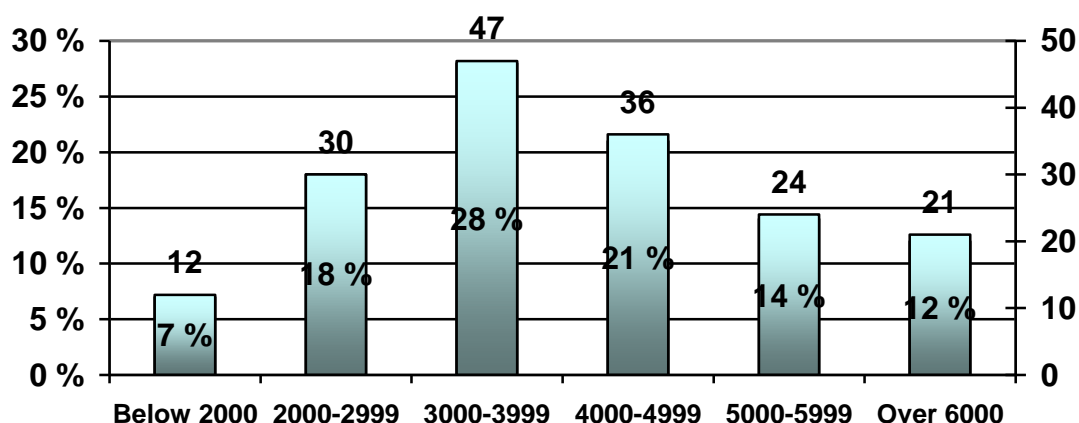


Figure 8: Monthly incoming of customer

From Figure 8 can see, 28% of respondents have monthly incoming between 3000-3999, also 36 of 170 respondents have monthly incoming between 4000-4999, take 21% of all. Almost half of the responders have the incoming between 3000-4999RMB.

What kind of situation you choose Haidilao

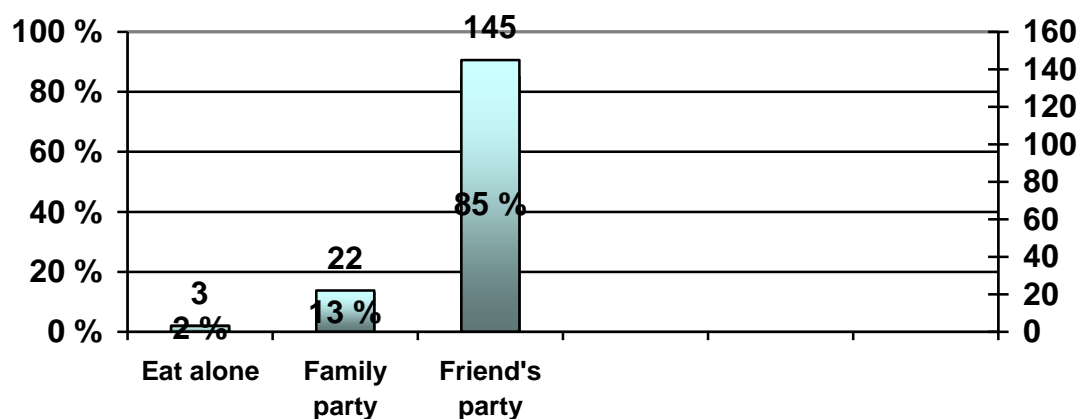


Figure 9: What kinds of situation you choose go to Haidilao

It shows in figure 9 that 85% respondents choose Haidilao when they have Friend's party. Which amount are 145. However, only three of responders choose to eat alone.

Patronage frequency

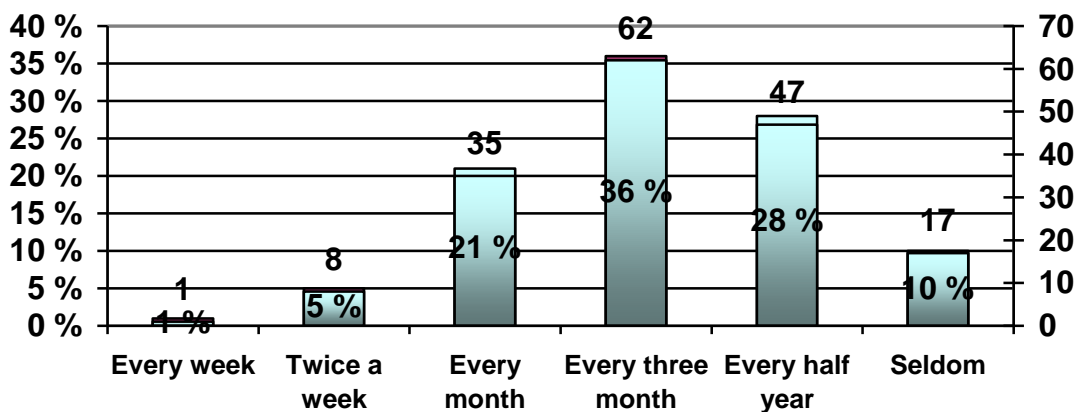


Figure 10: Patronage frequency

Figure 10 shows that 35% of respondents visit Haidilao every three month, 28% of customers visit Haidilao every half year. Weekly visit are very few, only 1 respondents out of 170.

Distribution channel

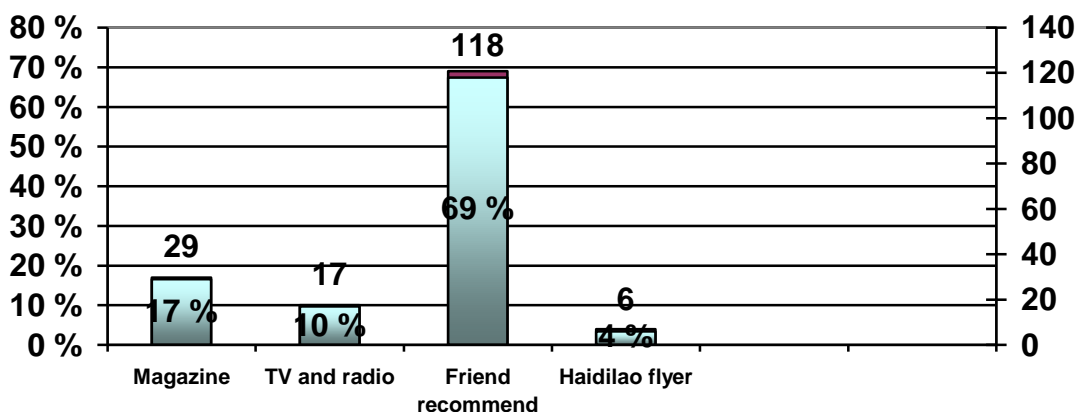


Figure 11: Distribution channel

Figure 11 show that 118 out of 170 know Haidilao Hot Pot from friends. 29 of responders heard Haidilao from Magazine. TV and radio distribution take 10% of all responders and

Haidilao flyer takes 4% of all responders, which means only 6 responders coming to Haidilao because receiving their flyer.

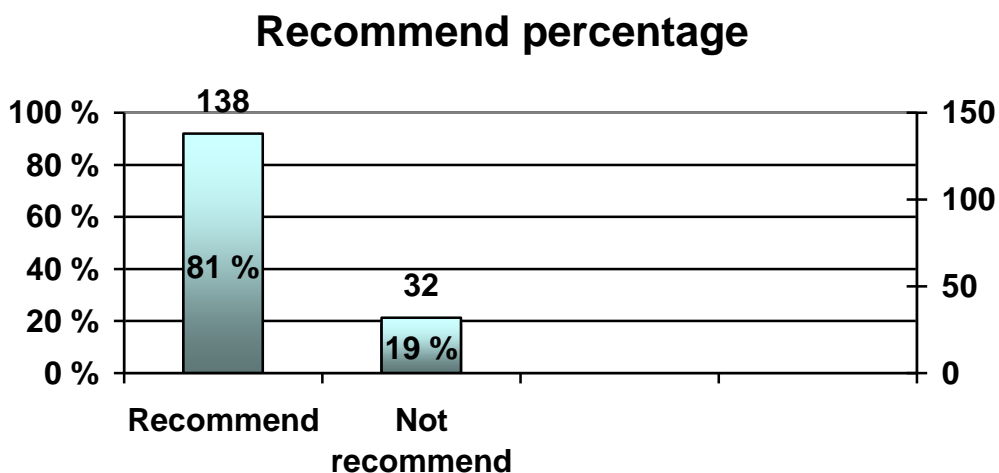


Figure 12: Recommend percentage

81% of respondents have recommend Haidilao Hot Pot to their friends. 19% of responders choose not to recommend Haidilao to their friends. More than half of the responders will recommend Haidilao Hotpot to their friends.

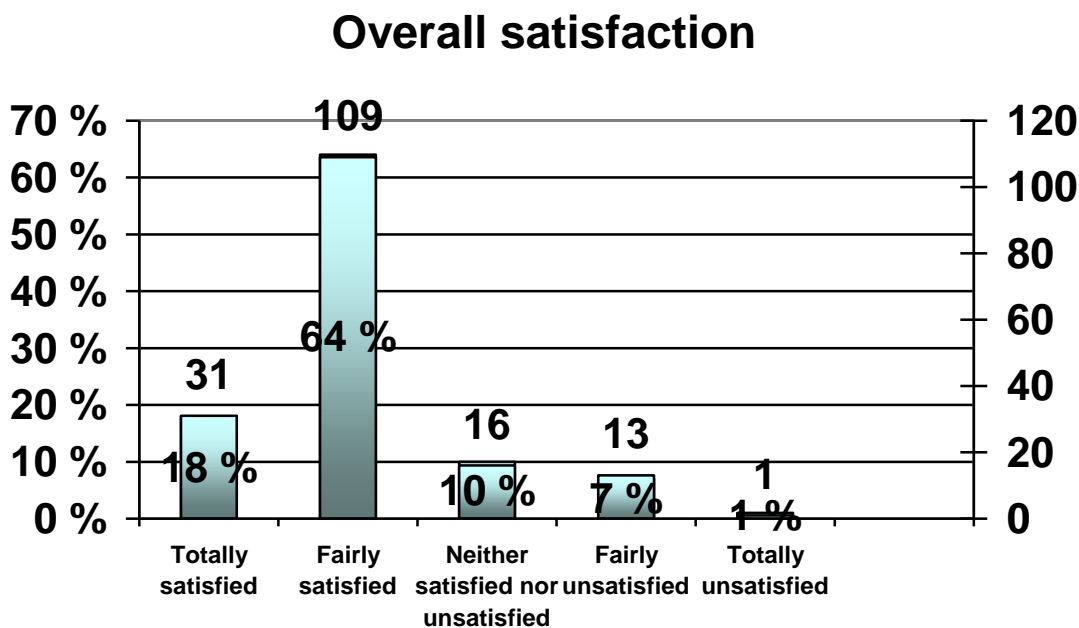


Figure 13: Overall satisfaction

Figure 13 shows 170 responders' overall satisfaction about Haidilao, this will include their satisfaction about food, price, and service.

Figure 13 shows that up to 64% of responders are fairly satisfied with Haidilao and 18% of respondents are totally satisfied with it. Together shows 82% of responders are satisfied with Haidilao. However, only 1 responder feels totally unsatisfied.

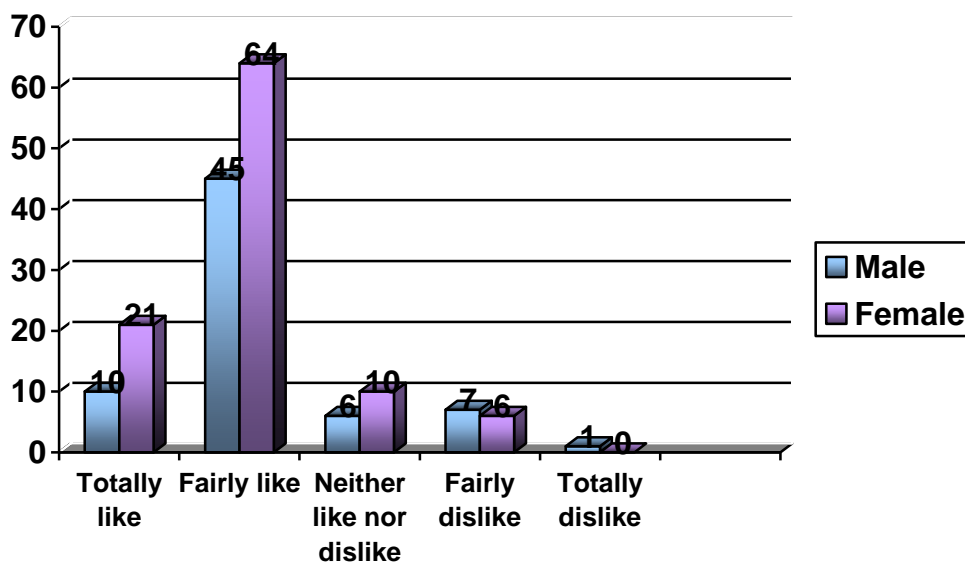


Figure 14: Cross tabulation with overall satisfactions with gender

Figure 14 shows 10 male and 21 female are totally satisfied with Haidilao overall, 45 male and 64 female are fairly satisfied with Haidilao overall.

Satisfaction about taste

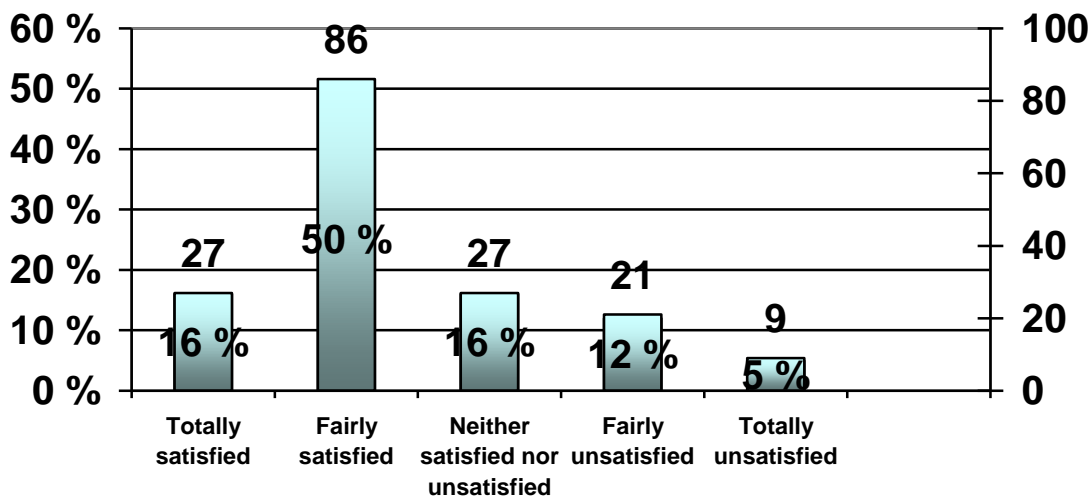


Figure 15: Satisfaction about taste

Figure 15 shows that 86 respondents out of 170 are fairly satisfied with the taste of Haidilao Hot Pot. Take half part of all responders.

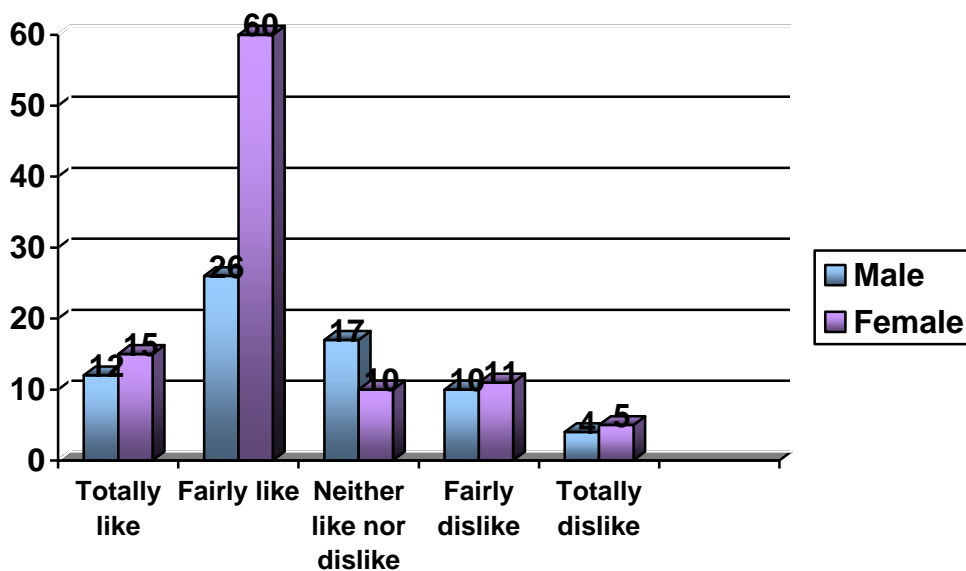


Figure 16: Cross tabulation of satisfaction about taste and gender

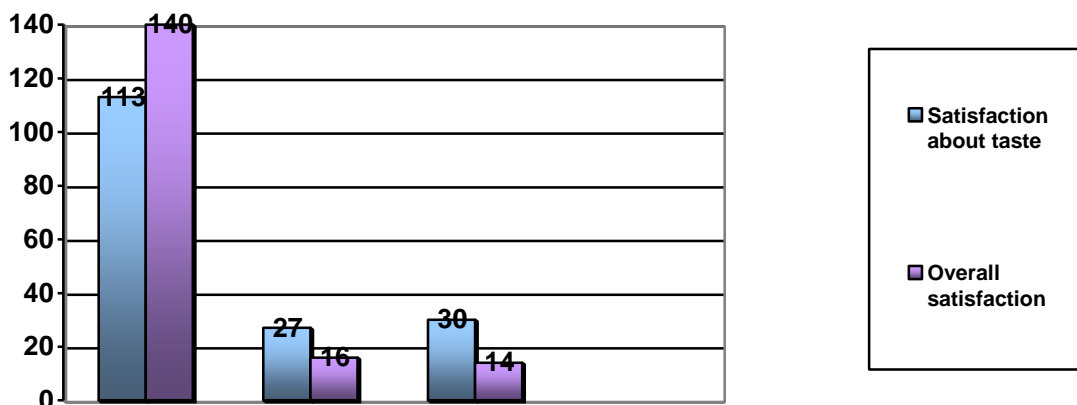


Figure 17: Comparison between overall satisfaction and satisfaction about taste

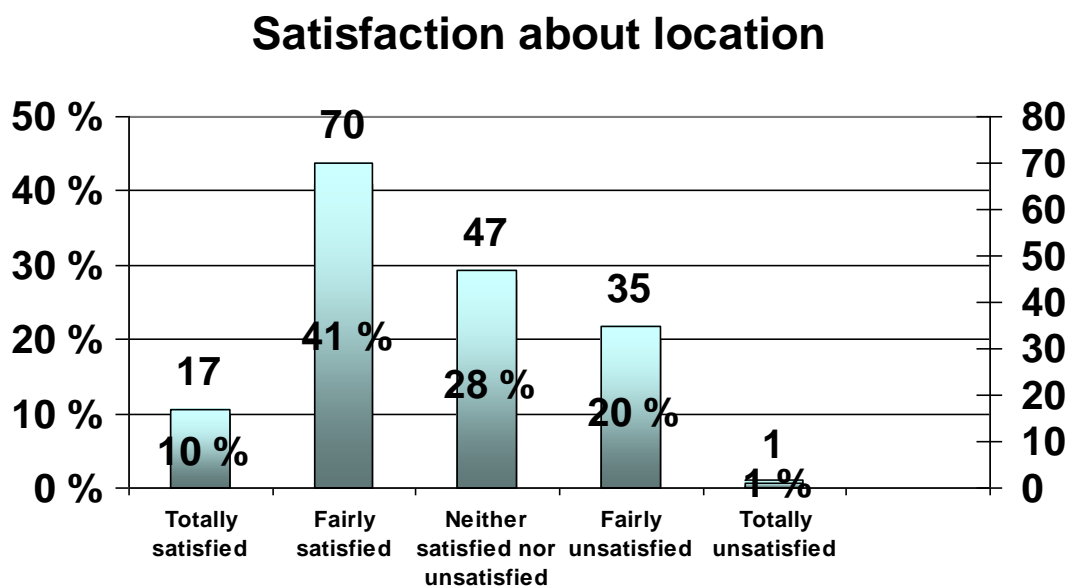


Figure 18: Satisfaction about location

Figure 18 shows 51% of respondents are satisfied with the location of Haidilao Hot Pot. Only one of the responders think the location is really bad.

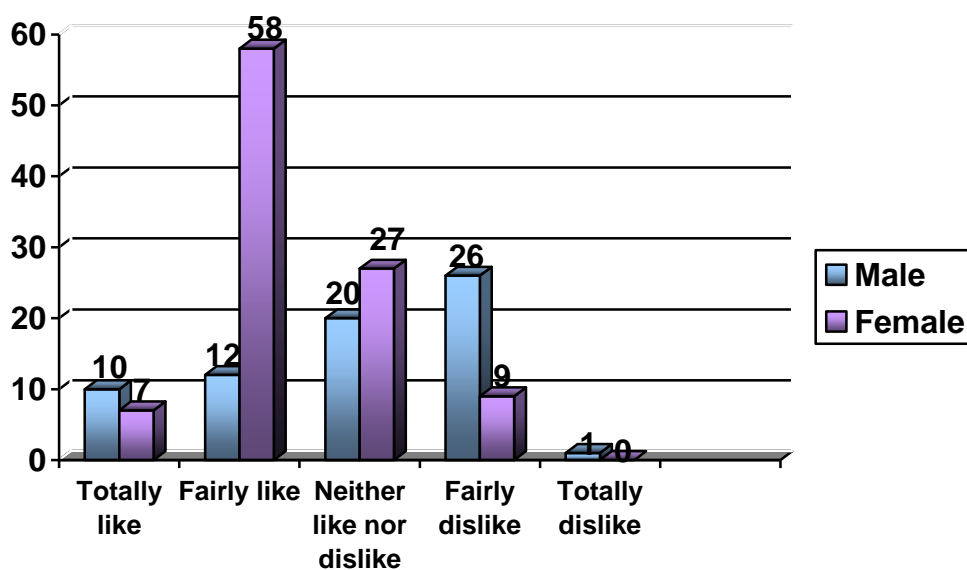


Figure 19: Cross tabulation of satisfaction about location and gender

Figure 19 shows that 58 females are fairly satisfied with the location. 26 male are fairly unsatisfied with the location and 9 female are fairly unsatisfied about the location.

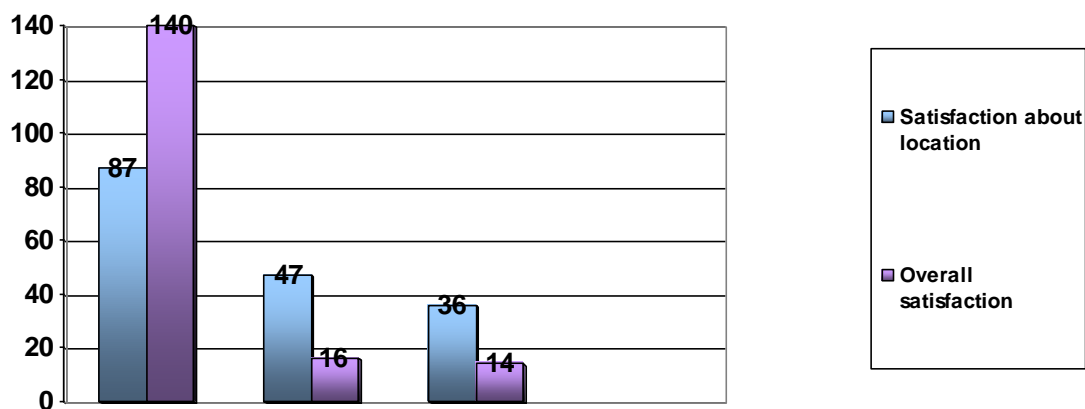


Figure 20: Comparison between overall satisfaction and satisfaction about location

Satisfaction with service while waiting

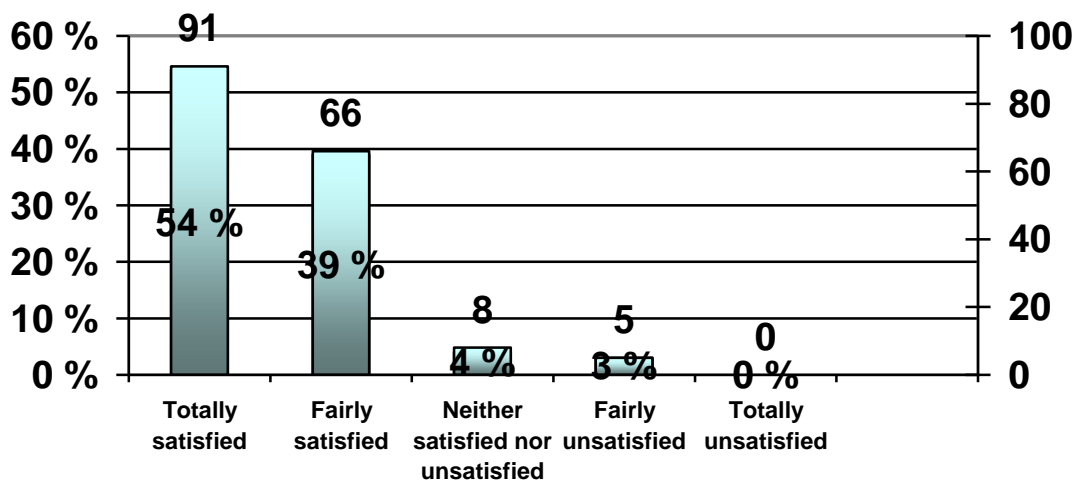


Figure 21: Satisfaction with service while waiting

Figure 21 shows 91 responders are totally satisfied with the service while waiting, 66 responders are fairly satisfied with the service while waiting. So a total percentage of 93% responders are satisfied with the service while waiting.

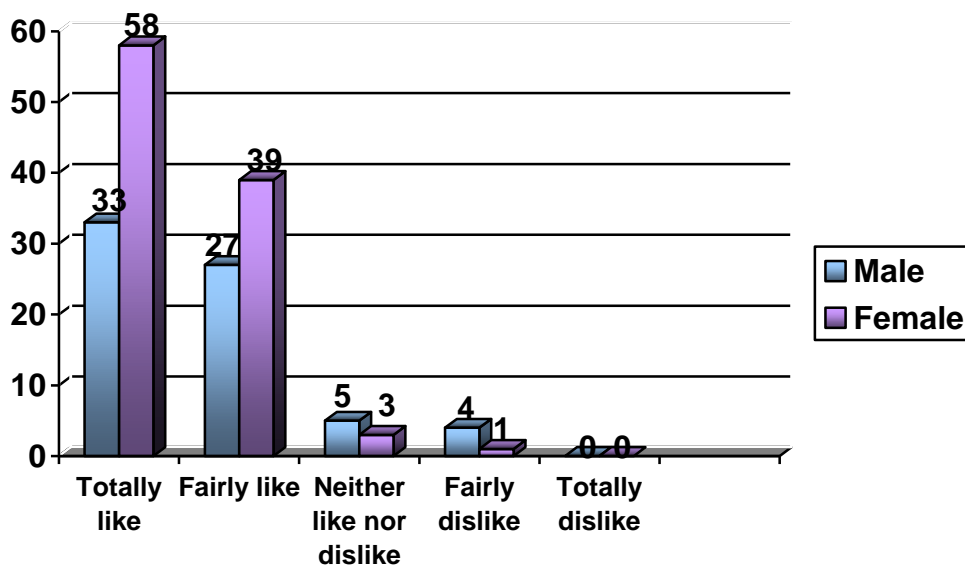


Figure 22: Cross tabulation of gender and service while waiting.

customer satisfaction while waiting		Gender		Total
		Male	Female	
	Fairly satisfied and totally satisfied	4	1	5
	Neither satisfied nor unsatisfied	5	3	8
	Fairly satisfied and totally unsatisfied	60	97	157
Total		69	101	170

Table 4: Cross tabulation of gender and service while waiting

Table 4 shows 4 of 5 of the unsatisfied comes from male responder, only 1 female out of 101 feel unsatisfied with the service while waiting. 5 male and 3 female feel neither satisfied nor unsatisfied .60 male and 97 female feel satisfied.

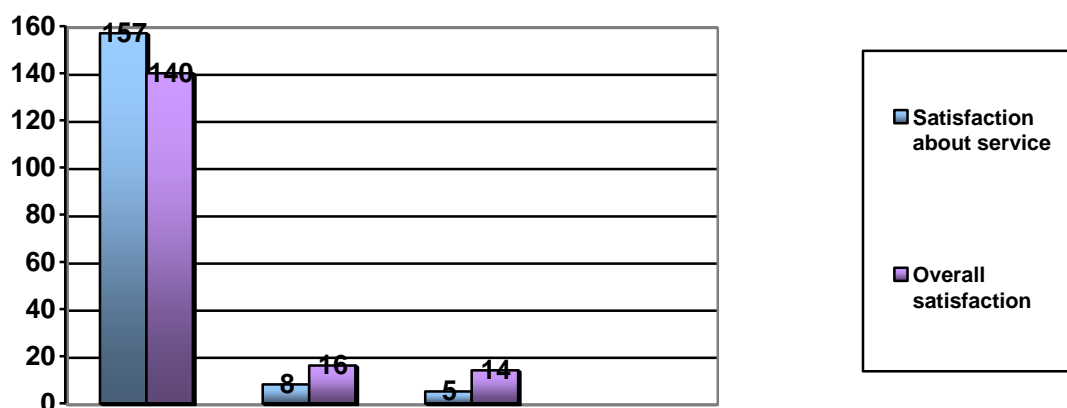


Figure 23: Comparison between overall satisfaction and satisfaction about service while waiting.

157 responders are satisfied with the service while waiting and 140 responders feel overall satisfied with Haidilao.

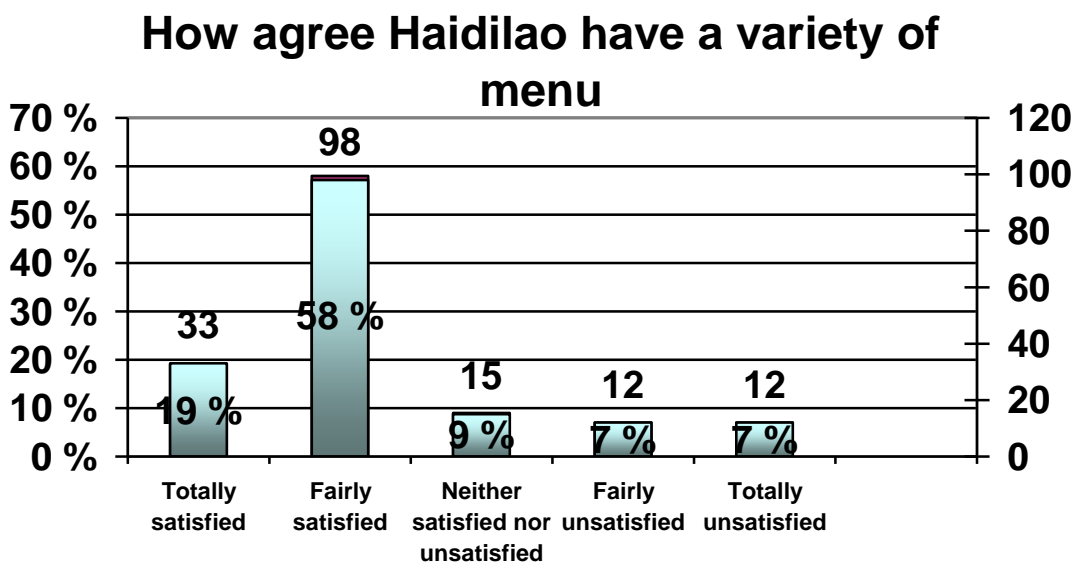


Figure 24: How agree with Haidilao have a variety of menu
 Up to 58% of all responders are fairly agreed that Haidilao have a variety of menu.

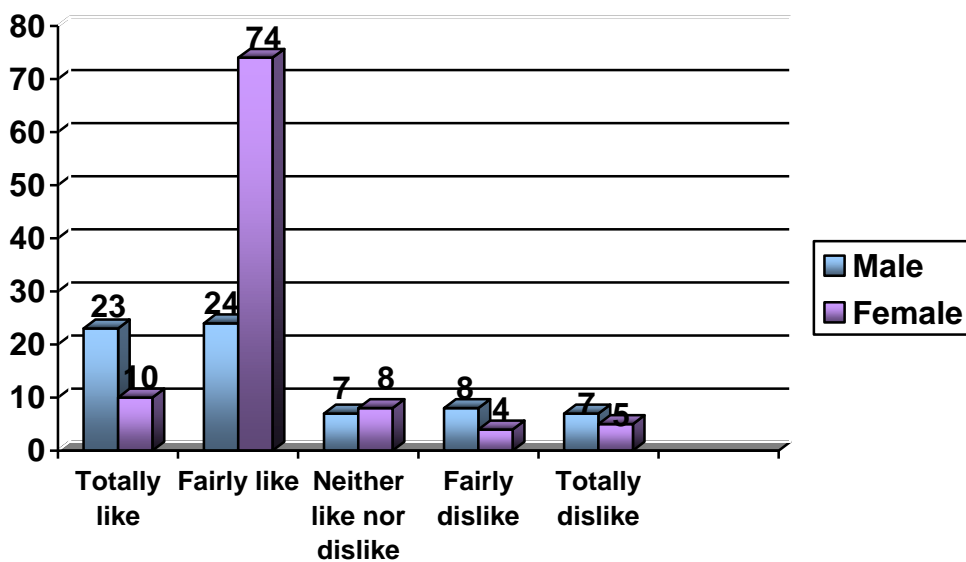


Figure 25: Cross tabulation with satisfaction with variety of menu with gender.

Satisfaction with half portion order

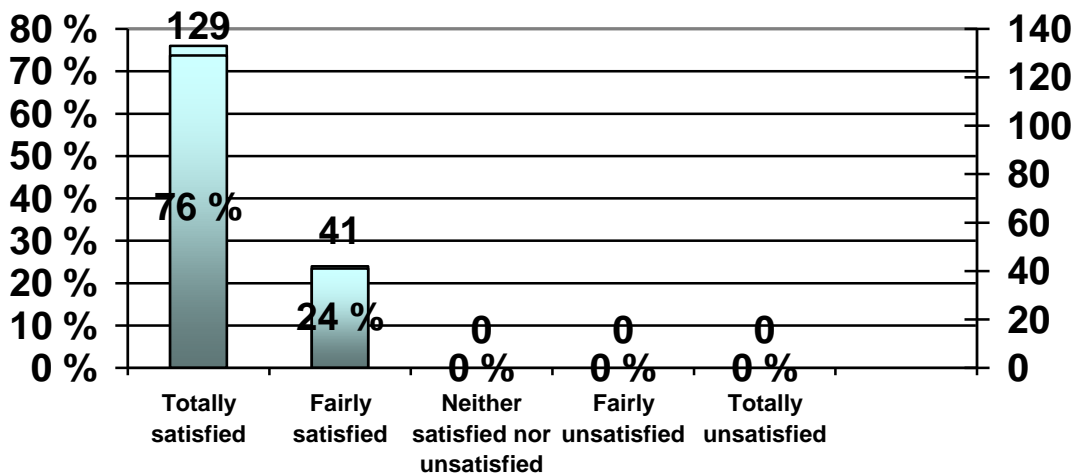


Figure 26: Satisfaction with half portion order

Figure 26 shows, all of the responders are satisfied with the half portion order. Among them 76% of responders feel totally satisfied with half portion order and 24% of responders feel fairly satisfied.

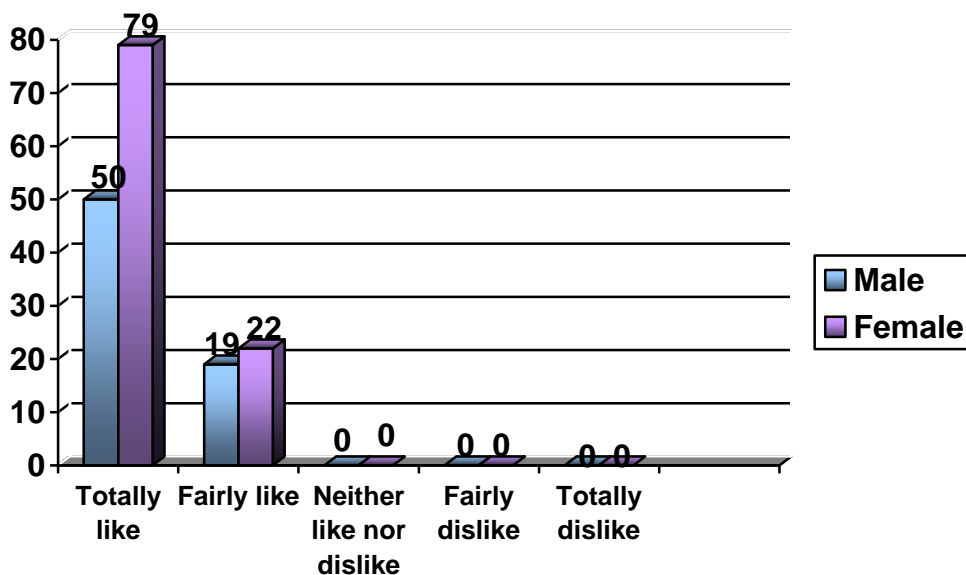


Figure 27: Cross tabulation of satisfaction of half portion order and gender

Satisfaction with noise level

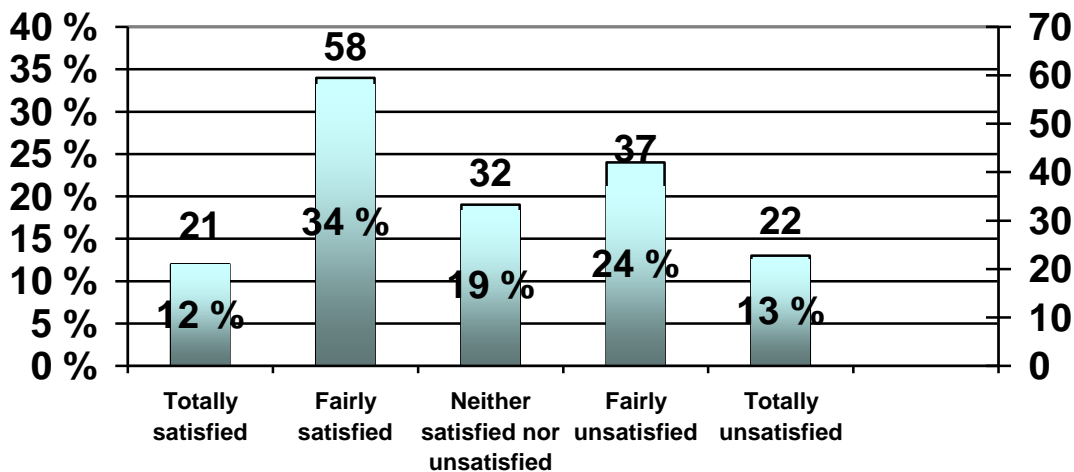


Figure 28: Satisfaction with noise level

See from figure 28, 21 responders are totally satisfied with the noise level and 58 responders are fairly satisfied with the noise level. 37 responders feel fairly unsatisfied with noise level and 22 responders feel totally unsatisfied.

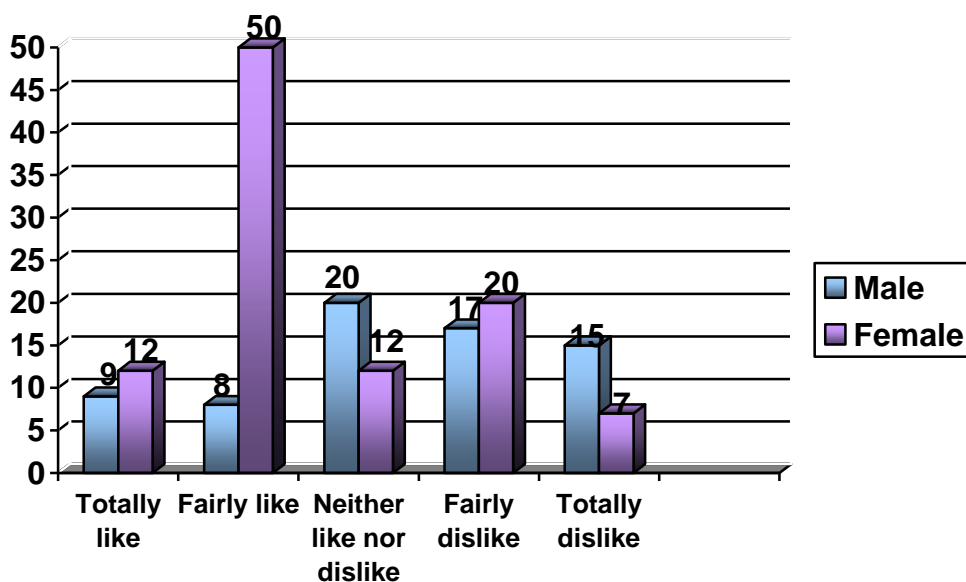


Figure 29: Cross tabulation of satisfaction with noise level and gender

Satisfaction of noise level		Age group			
		Below 29	30-49	over 50	
	Neither satisfied nor unsatisfied	26	4	2	32
	Fairly unsatisfied and totally unsatisfied	9	41	9	59
	Fairly satisfied and totally satisfied	57	22	0	79
Total		92	67	11	170

Table 5: Cross Tabulation with age group and noise level

It shows in Table 5, 9 out of 11 over 50 responders feel unsatisfied about noise level, take 82%. 41 out of 67 30-49 year old responders feel unsatisfied with noise level, take 61%. However, only 9 responders who are below 29 feel unsatisfied with noise level.

Satisfaction of seats

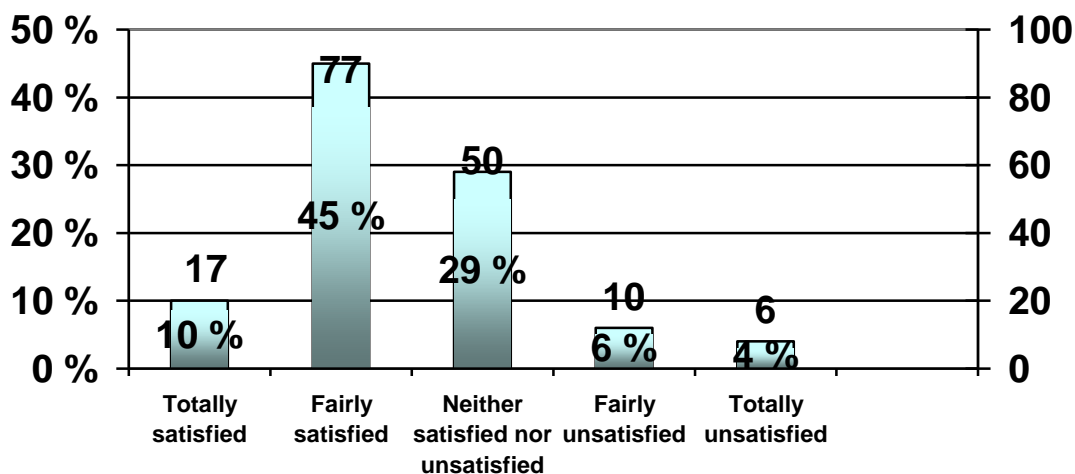


Figure 30: Satisfaction of seats

Figure 30 shows that 77 responders are fairly satisfied with the seats in Haidilao. However, 4% of responders are totally unsatisfied with the seats.

Satisfaction with environment

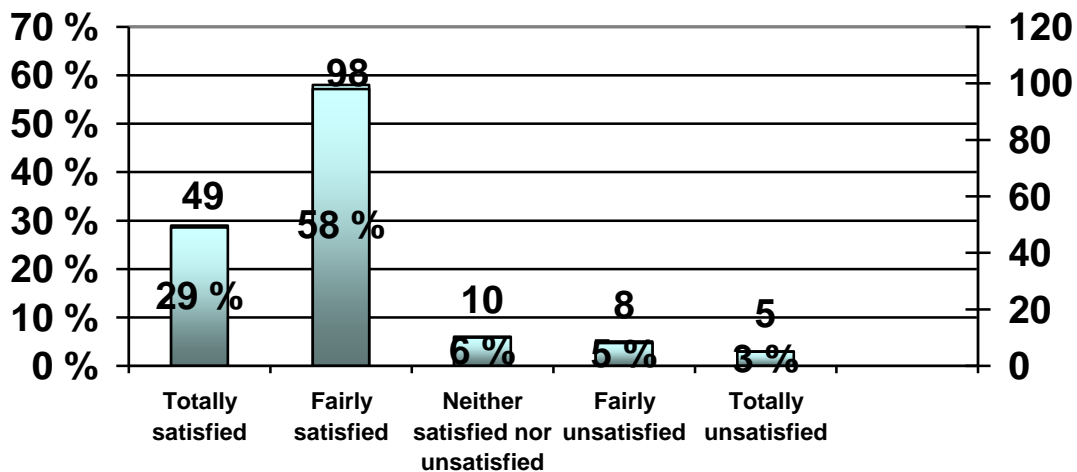


Figure 31: Satisfaction of environment

Figure 31 shows 49 of responders feel totally satisfied with environment and up to 58% of responders are fairly satisfied with the environment of Haidilao, 5% of responders feel fairly unsatisfied and 3% feel totally unsatisfied.

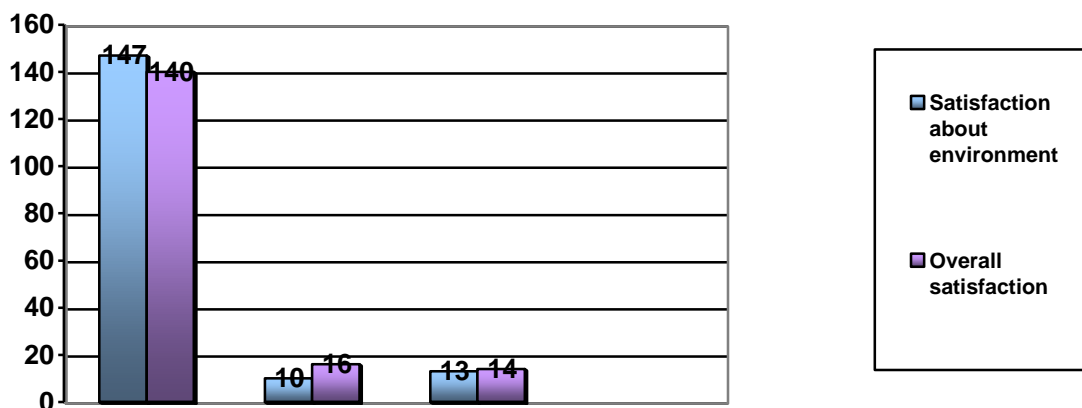


Figure 32: Comparison between overall satisfaction and satisfaction of environment.

147 responders satisfied with environment and 140 responders overall satisfied with Haidilao.

Satisfaction with price

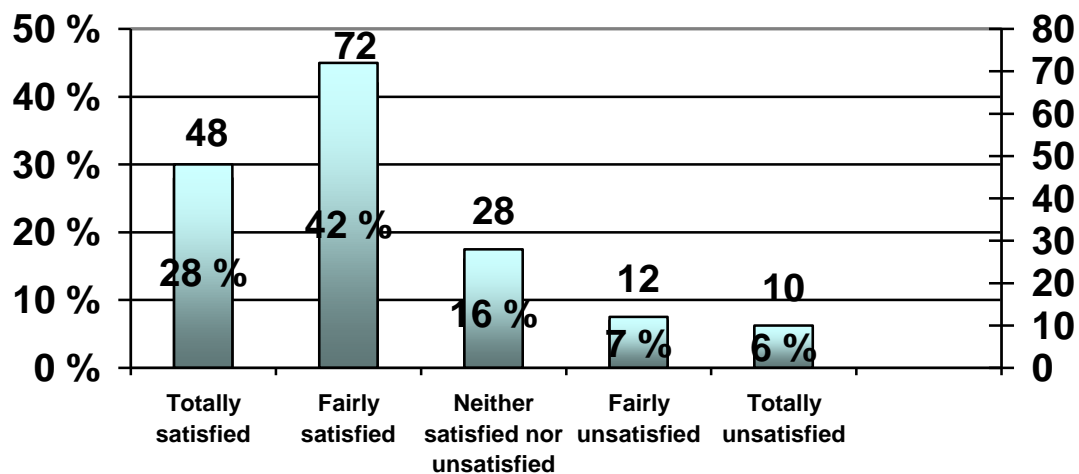


Figure 33: Satisfaction of price

See from Figure 33, 48 responders feel totally satisfied with the price, 72 responders feel fairly satisfied with the price level. However, 6% of responders feel totally unsatisfied with the price level.

Satisfaction of price		Incoming			Total
		Below 2999RMB	3000-4999 RMB	Over 5000RMB	
	Totally unsatisfied and Fairly unsatisfied	15	6	1	22
	Neither satisfied nor unsatisfied	20	7	1	28
	Totally satisfied and satisfied	7	70	43	120
Total		42	83	45	170

Table 6: Cross Tabulation of incoming and satisfaction of price

Table 6 shows that 15 out of 42 responders who have incoming below 2999RMB feel unsatisfied with the price level of Haidilao. However, responders who have incoming over 5000RMB feel mostly satisfied with the price.

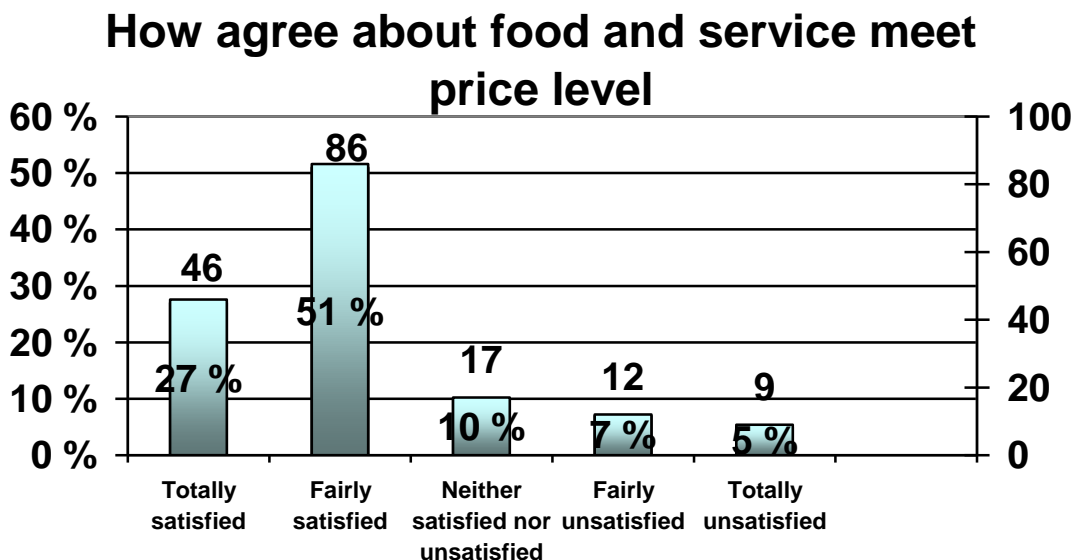


Figure 34: How agree about food and service meet price level

Figure 34 shows that 46 responders totally agree that haidilao’s price meet their value; 86 of responders fairly agree that the price in Haidilao meet the value, which is more than half of responders.; However 12 of responders fairly disagree that the price in Haidilao meets the value. And 9 respondents totally disagree that price in Haidilao meet their value.

6 Conclusion and recommendation

6.1 Conclusion

This chapter includes all the important results and some recommendation from respondents from questionnaire question 20.

More than half of the customers are female and almost three quarters of the customer are from age group 20-39. Almost half of the customers are Bachelor Degree and the most monthly incoming are from 3000-4999, responders who have incoming over 5000RMB are quite satisfied with the price level of Haidilao. However, responders who have incoming below 2999 are not quite satisfied.

Most of the customer chooses to eat with friends or when Friends have party, only three of responder would like to eat alone.

Very high percentage of customers are satisfied with Haidilao overall. There is only 1 responder does not feel satisfied with Haidilao at all. 49 % of responders feel Haidilao have a good location; however, still 21% of responders feel not satisfied with the location. That is why Haidilao offer food delivery service and it raise the percentage of customer satisfaction and service satisfaction.

More than 90 % of responders are satisfied with the service while waiting. And some of the respondents mention in the questionnaire, Haidilao is famous for its waiting. Some of the customers have to wait two to three hours to their seats so Haidilao offer special service while waiting. There are sofa and seats while waiting and free soya milk and lemon water. Waiting area also has service like nail polish and free internet so customer will not feel bored and time waste while waiting.

Quite high percentage of customers think Haidilao have a variety of menu and all of the responders feel satisfied with half portion order. Some responders mention in their question number 20 that they like Haidilao' service because they think about and care about customers, they allow half portion order, and some waitress will kindly remind customer when they have order enough food. half of the responders like Haidilao's taste and 16% of responders totally like the taste.

Voice level satisfaction has the most unsatisfied vote. Only 21 responders feel totally satisfied and 58 responders feel fairly satisfied while 32 responders feel neither satisfied nor unsatisfied. However, still 37% of responders feel somehow unsatisfied with the voice level. responders who are over 50 are mostly unsatisfied with the voice level of Haidilao, meantime responders who are below 29 finds that the noise level are more acceptable for them.

29 % responders feel totally satisfied with the environment and 58% of responders feel fairly satisfied with environment.

70% of responders are satisfied with the price and 76% of responders think the price meet the value.

6.2 Recommendation

First, author did not mention the food delivery service in the questionnaire, and some of the responder mentioned in their answer. They think that it is a big improve that Haidilao Hot Pot

Company offer food delivery service, it is more convenient for customer to have a try at Haidilao's food and service, as Figure 1 show, 87 of the responders think have a good location, however, still 47 of responders feel their location neither good nor bad, and 35 responders think they have a fairly bad location. That means food delivery will be attractive for these groups who do not think Haidilao have a good location. Haidilao's food delivery service has different choice, you can order from internet and telephone. One responder writes their food delivery experience. Customer can order food; can also order pot and cooker; food, pot, cooker and waitress service at home is also possible. It is convenient for people who do not want to drive and go outside to eat. Author thinks it is a good way to keep their service and a good way to maintain a high percentage of customer satisfaction and this service should be using and expand to different city.

Second, some of responders write in their questionnaire that waitress's excessive enthusiasm may sometime cause uncomfortable for customer, this requires improvement for waitress. They need to offer different service for different customer: For example; if it is family party, Family may just want to enjoy and feel comfortable.

Third , as collected shows, still 13 % of responders are not satisfied with the price, some responders think it is not suitable for one or two person to eat, they suggest Haidilao can offer two person set hotpot menu.

Fourth, some responders still think it is a bit waste time to wait even though the service while waiting is quite good. They suggest Haidilao can offer different channel to make reservation. Like internet; phone call and using smartphone app.

Fifth, as collected data shows, the noise level in Haidilao is not good, some customer suggest having more VIP room for business, and Haidilao may make the age area, let most of the young customer seat together and give a special area for family get-together party.

6.3 Implication for further research

Learned through research Haidilao's success is also accompanied by many fatal flaws such as:

- 1, proportional increase of the cost
- 2, Competitive
- 3, short-term
- 4, Transparency
- 5, Replicable
- 6, Vulnerability
- 7, Blindness

People focus on catering business into a link, that is, " service" , Haidilao management model based on the success also accompanied by extreme disadvantage , cost of business continues to increase (which is characteristic of human nature , the customer will be its services philosophy increase in increase) , Haidilao free service will be one of the increasing cost , if not handled properly will increase the company's risk , especially capital flow problems) when the impact of the enterprise constantly in walk the entire food and beverage industry , is replicable will increase , but it also brings invisible competitiveness , when the core competitiveness of enterprises are faced with a copy of its short-term , because the effects of the market to follow suit , plus its transparency large, resulting in a lot of blindness . Corporate profits will greatly frustrate the management and profits of such customers is certainly welcome his hands, but for the food and beverage companies will be a huge loss, the worst result will lead to food market bubble economy.

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Appendices 1, English version of questionnaire

I am a student study in Laurea University of Applied Science in Finland, and I am doing my thesis about customer service and customer satisfaction based on Haidilao Hotpot restaurant, I will be really thankful if you can take five minutes to answer this questionnaire. And all the collected data are used only for this research

1, Gender

A. Male B. Female

2, Age

A. Below 19 B. 20-29 C. 30-39
D. 40-49 E. 50-59 F. Over 60

3, Education background

A. Elementary School B. Vocational School C. Bachelor Degree University
D. Master Degree University E. Doctor Degree

4, Your monthly incoming

A. Below 2000 RMB B. 2000-2999 C. 3000-3999 D. 4000 -4999
E. 5000-5999 F. Over 6000

5, In what kind of situation you choose to go to Haidilao Hotpot

A. Eat alone B. Family party C. Friend's party

6, How often you eat in Haidilao

A. Every week B. Twice a month C. One month D. Three month
E. Half year F. Seldom

7, From where you heard about Haidilao Hotpot

A. Magazine B. TV and radio C. Friends recommend D. Haidilao flyer

8, Have you ever recommend Haidilao Hotpot to your friends

A. Yes B. No

9, Overall, how satisfied you feel about Haidilao?

A, Totally satisfied B, Fairly satisfied C, Not unsatisfied, not satisfied
D, Fairly unsatisfied E, Totally unsatisfied

10, How do you like the taste of Haidilao

A. Total like B, Fairly like C, not like, not dislike D, Fairly dislike E, Totally dislike

11, Is the Haidilao in a good location and easy to find?

A, Totally good B, Fairly good C, not good, not bad D, Fairly bad E, Totally bad

12, How satisfied you feel while waiting

A, Totally satisfied B, Fairly satisfied C, Not unsatisfied, not satisfied
D, Fairly unsatisfied E, Totally unsatisfied

13, How do you feel about Haidilao' menu. Is it including a variety of item?

A, totally agree B, Fairly agree C, not agree, not disagree D, Fairly disagree E, Totally disagree

14, How do you like Haidilao allow to order half portion

A, Total like B, Fairly like C, not like, not dislike D, Fairly dislike E, Totally dislike

15, Are you satisfied with the noise level of Haidilao

A, Totally satisfied B, Fairly satisfied C, Not unsatisfied, not satisfied

D, Fairly unsatisfied E, Totally unsatisfied

16, Are you satisfied with the seats in Haidilao

A, Totally satisfied B, Fairly satisfied C, Not unsatisfied, not satisfied

D, Fairly unsatisfied E, Totally unsatisfied

17, Are you satisfied with the environment in Haidilao

A, Totally satisfied B, Fairly satisfied C, Not unsatisfied, not satisfied

D, Fairly unsatisfied E, Totally unsatisfied

18 Are you satisfied with the price in Haidilao

A, Totally satisfied B, Fairly satisfied C, Not unsatisfied, not satisfied

D, Fairly unsatisfied E, Totally unsatisfied

19, Do you agree the food and service meets the price value.

A, totally agree B, Fairly agree C, not agree, not disagree D, Fairly disagree E, Totally disagree

20. Can you give some suggestion to Haidilao

Appendices 2, Chinese version of questionnaire

1 性别

A 男 B 女

2 年龄

A 小于 19 B 20-29 C 30-39 D 40-49 E 50-59 F 大于60

3 受教育程度

A 中学 B 高中 D 大学 E 研究生 F 博士

4 您的月收入

A 小于2000 B 2000-2999 C 3000-3999 D 4000-4999 E 5000-5999

F 高于6000

5 您在什么样的情况下选择去吃海底捞火锅

A 自己 B 和家庭聚餐 C 和朋友聚餐

6 你多久去一次海底捞

A 每周 B 每两周 C 每月 D 每三个月 E 每半年 F 很少来

7 你是在哪里听说的海底捞

A 杂志 B 电视和广播 C 朋友推荐 D 海底捞的宣传册

8 你有没有把海底捞推荐给你的朋友

A 有 B 没有

9 我总体很满意海底捞

A 完全满意 B 比较满意 C 一般 D 不是很满意 E 完全不满意

10 您喜欢海底捞的味道吗？

A 喜欢 B 比较喜欢 C 一般 D 不是很喜欢 E 完全不喜欢

11 海底捞的位置很好而且很好找？

A 位置很好 B 位置不错 C 一般 D 位置不太好 E 位置一点也不好

12 你满意等待时候的服务吗

A 完全满意 B 比较满意 C 一般 D 不是很满意 E 完全不满意

13 您认为海底捞的菜单怎么样，是不是种类很多？

A 完全同意 B 比较同意 C 一般 D 不是很同意 E 完全不同意

14 您满意餐厅可以点半份餐吗？

A 完全满意 B 比较满意 C 一般 D 不是很满意 E 完全不满意

15 您满意餐厅的噪音指数吗

A 完全满意 B 比较满意 C 一般 D 不是很满意 E 完全不满意

16 您对餐厅的座位满意吗

A 完全满意 B 比较满意 C 一般 D 不是很满意 E 完全不满意

17 你对餐厅的环境满意吗

A 完全满意 B 比较满意 C 一般 D 不是很满意 E 完全不满意

18 您对餐厅的价格满意吗

A 完全满意 B 比较满意 C 一般 D 不是很满意 E 完全不满意

19 您认为食物和服务是值那个价格的

A 完全同意 B 比较同意 C 一般 D 不是很同意 E 完全不同意

20,有什么对海底捞的建议