

Saimaa University of Applied Sciences
Faculty of Business Administration Lappeenranta
Degree Programme in International Business

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**Customer Satisfaction Enhancement in Russian
fresh grocery distribution platform
Case company: Partiya Edi**

Thesis 2017

Abstract

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Customer Satisfaction Enhancement in Russian fresh grocery distribution platform. Case study: Partiy Edi, 53 pages, 2 appendices

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Nowadays, customers are the most important contributors to the successful business operation and their level of satisfaction is a top priority for the management team. Thus, top-managers do adopt a business model which is mainly oriented on the customers, their needs and wants. In contrast, several years ago, the majority of companies were focused on the product development and its features without any effort to increase customer satisfaction. Whereas the recent situation changed greatly, companies are transforming the strategies to customer relationship management. In this case, customer satisfaction is considered with a great interest by the organisations and researchers as well. Moreover, it was empirically proven that service quality is the predominant factor of the customer satisfaction and dissatisfaction.

In 2014, the food technology market met a new industry- meal kit delivery service, where service quality plays a major role in building long-term relationships with the customer. In fact, it is quite fresh commerce, which contains small and big players with different approaches and missions. However, they mutually chase for higher customers' satisfaction.

The theoretical part includes a deep analysis of the academic literature and scientific articles dedicated to the service quality and customer satisfaction. Five determinants of good service quality and customer perception of service measuring are described in order to build a clear platform for future quantitative research and to make information more adaptable for the reader.

The main purpose of the Bachelor's Thesis is to examine possible approaches to increase customer satisfaction in the case company Partiya Edi. The data was collected via online survey, Google forms, and further quantitatively analysed in the SPSS. The results show that company's customers are mostly satisfied with the service. However, there are still many steps in developing the customer journey that starts with the order processing.

Keywords: Service quality, Customer Satisfaction, SERVQUAL model.

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1 Introduction

1.1 Background of the study

The idea of identifying the customer satisfaction arose from my personal interest. My family belongs to “trysumer” group of customers that are trying out new appliances, new services, new flavours, new authors, new destinations, new artists, new outfits, new relationships, new *anything* with post mass-market gusto (TRYSUMERS 2007). In October 2016, they decided to subscribe to the services provided by the “Partiya Edi” company. After four times the food was delivered (1 week- one box), we came up with the main problem - service quality.

It comes from the fact that it is impossible to fully satisfy customers without offering a good service. Managers in the service sector are under increasing pressure to demonstrate that their services are customer-focused and that continuous performance improvement is being delivered. Moreover, it is essential that customer expectations are properly understood and measured. Consequently, from the customers’ perspective, all gaps in service quality are identified. This information then assists a manager in identifying cost-effective ways of closing service quality gaps and of prioritising which gaps to focus on – a critical decision given scarce resources. (Shahin 2004, p.1.)

Customer satisfaction is described as the result of a comparison of the customers’ expectations and his or her subsequent perceived performance of service quality (Herington & Weaven 2009). Moreover, previous researchers have identified the evidence that a customer’s perceived service quality is the main element determining customer satisfaction.

The current research is based on two concepts such as customer satisfaction and service quality as both of them are tightly connected. Parasuraman, Zeithaml and Berry (1985) suggested that with the enhancement of service quality perception, the customer satisfaction increases as well.

Service Quality measurement allows formulating the level of customer satisfaction. Customer satisfaction is based upon the level of service quality

that is provided by the service providers (Saravanan & Rao, 2007, p. 436, Lee et al., 2000, p. 226).

Nowadays SERVQUAL model is the most effective approach to evaluate the service quality as it provides a questionnaire to the respondents consisting of three parts: "Expectations", "Perceptions" and "Importance". Each part of the questionnaire contains 17-25 statements, grouped around seven characteristics of quality services: materiality, fulfilment, reliability, privacy, responsiveness, compensation, contact. Respondents answer questions by a five-point Likert scale ("Strongly Disagree", "Strongly Agree").

Service quality and customer satisfaction play the major role in every process of the fresh meal-kit delivery company. Thus companies have to integrate it with the everyday company's operations. Of course, every business has its weaknesses and strengths as it is not possible to satisfy all customers, and "Partiya Edi" is not an exception. The level of customer service remains in a low stage of development. The product has to be adaptable and simple in use. In fact, the simpler the service is introduced to the target group the more value the company generates.

Customer satisfaction with a company's products or services is often seen as the key to a company's success and long-term competitiveness (Thorsten & Klee 1997). Thus companies attempt to integrate the ' voice of the customers' while delivering the service, they quickly discover a need for diagnostic information that predicts how service changes will affect customer satisfaction, revenues and profits (Bolton et al. 1994, p.1). Consequently, it becomes crucial to follow the external customer feedback that will predict the future revenues, profits, and the most important, customer satisfaction.

To summarise the discussion above, the key aim of the current study is to assess the customer satisfaction level of the Partiya Edi by measuring the service quality. The final evaluation will provide a sustainable base for customer satisfaction enhancement including the gaps in the service.

1.2 Objectives of the study

This chapter introduces the main research question which highlights the basis of the study, frames its and directs thesis development. The ultimate aim of the study is achieved after the following research problem is solved.

What could be done to increase the customer satisfaction in the Partiya Edi? (RQ)

What is the level of service quality in Partiya Edi? (SQ1)

What is the level of customer satisfaction measurement in Partiya Edi? (SQ2)

Gathered information supports the theoretical evidence about the relationship between service quality and customer satisfaction. Moreover, sub-questions 1 and 2 justify the level of both important issues of the Partiya Edi.

Likely, the companies' representatives are looking for the help and are willing to share the needed information for the research. That is why the chosen topic gains high importance for both parts: the founders and for the author. Especially, it becomes crucial for "Party of Food" company.

1.3 Delimitations

In order to narrow the investigation, the delimitations are included in both theoretical and empirical parts. By focusing on some crucial definitions that are connected with the field of study, the final results will be more efficient and effective. Moreover, the reader will be able to understand the aims of the research, methods and theories applied in the empirical part.

At the moment, this theme is widespread, as many previous researchers have different views and opinions, and thus it is impossible to fully cover all of them concerning customer satisfaction and service quality. Thereby, the theoretical part is based on these two determinants which are deeply discussed including all tightly connected definitions and theories about service quality and customer satisfaction, especially the SERVQUAL model that was created in 1988 by a group of researchers as the main approach to measure the service

quality. In 2002, this model was expanded to E-SERVQUAL model that covers online services dimensions. Measuring the existing level of services provided can help managers make better decisions for improving customer satisfaction (Chatzoglou et al. 2014, p.349).

The meal kit delivery service became a widespread service throughout the world so that there are dozens of companies that have a big amount of customers. Thus the study is mainly based on the customers of the "Party of Food" Russia, Saint- Petersburg.

1.4 Structure of the thesis

The thesis structure is illustrated in Figure 1. The research consists of six chapters, figures and appendixes.

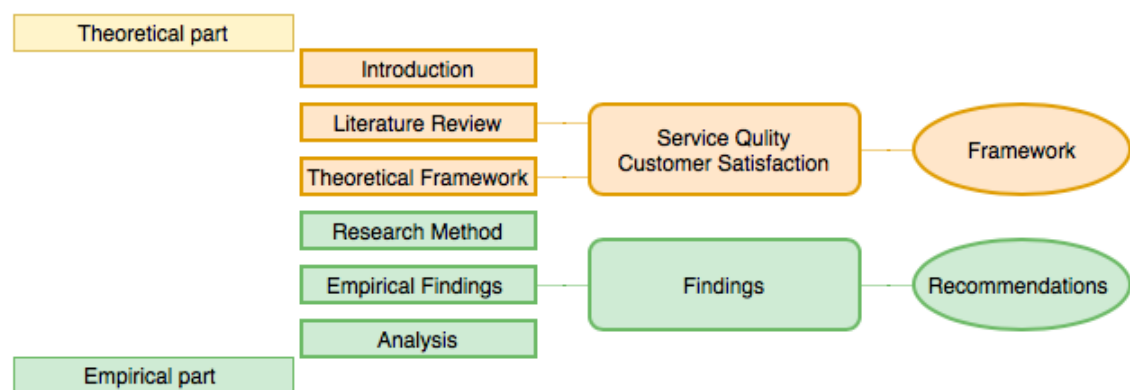


Figure 1. Structure of the Thesis

1.5 Key definitions

This chapter mentions the most important definitions and concepts that are studied during the thesis.

In the literature review chapter, the following subjects are discussed: service quality, service, customer expectations, customer perceptions, theories of customer satisfaction, the relationship between service quality and customer satisfaction, service quality model, SERVQUAL model, dimensions of SERVQUAL model, E-SERVQUAL model, dimensions of E-SERVQUAL model, application of both models.

2 Literature review

According to Diana Ridley, “literature review” is a part of the thesis where a particular research is initially connected to the existing theory in a field; it is where relations are made between the source texts that you draw on and where you position yourself and your research among these sources (Ridley 2012, p.3). The aim of this chapter is to locate the research project, to form its context or background, and provide insights into previous work (Blaxter, Hughes & Tight 2006, p.124).

Previous academic literature proves that there is a significant relationship between customer satisfaction and service quality. Moreover, in 1993, Richard Oliver, suggested that service quality would be antecedent to customer satisfaction regardless of whether these constructs were cumulative or transaction-specific (Kharim & Chowdhury 2014). Furthermore, it was empirically proved by some researchers (Anderson, Fornell, Lehmann,1994; Spreng & Macky 1996) that customer satisfaction comes as a result of service quality.

Based on the abovementioned chapter (1.1 Background of the study), it can be concluded that the service quality is the determinant factor of customer satisfaction. Consequently, it becomes crucial to overview the following concepts:

Key concepts	Relates definitions	Literature review
Service Quality	Service Quality Service Services Gaps Service Quality Meas- urement	Zeithaml et al. (1985,1990,2002); Parasuraman et al. (1985); Grigoroudis & Siskos (2010); Shahin (2004); Chatzoglou et al. (2014); Booms & Bitner (1981); Lehtinen & Lehtinen (1982); Carmen & Langeard (1980); Cronin & Taylor (1992); Normann (1977); Yarimoglu (2014); Grönroos (1984);

Customer Satisfaction	Customer Expectations Customer Perceptions Theories of Customer Satisfaction Measurement Importance of CS	Bo Bergman & Begnt Klefsö (2010); Zeithaml, V.A., Parasuraman, A., Berry, L.L. (1985); Grigoroudis & Siskos (2010); Edosomwan (1993); Cronin, Brady & Hult (2000); Wong, Rexha & Phau (2008); Hill, Roche & Allen (2007); Howard & Sheth (1969); Churchill & Suprenant (1982); Hunt (1977); Day & Landon (1977); Dutka (1995);
Customer Satisfaction and Service Quality	Relationship between both determinants SERVQUAL model E-SERVQUAL model Application of both models	Zeithaml, V.A., Parasuraman, A., Malhotra, A.(2002); Kharim, R.A. & Chowdhury T. (2014); Herington, C., & Weaven, S. (2009); Lee, H., Lee, Y. & Yoo, D. (2000); Oliver, R.L. (1980); Raj, A.A. & Tat, H.H. (2014); Cronin & Taylor (1992); Wong, D. H., Rexha, N. & Phau, I. (2008);

Table 1. Literature review

2.1 Service quality

In order to understand the term service quality, it is essential to take apart each word separately: service and quality.

In 1996, Kotler defined service as an intangible benefit ones provide to another and its ownership cannot be claimed. Moreover, there are three well-documented characteristics of services- intangibility, heterogeneity, and inseparability (Parasuraman et al. 1985).

Intangibility	Most services cannot be counted, measured, inventoried, tested, and verified in advance of sale to assure quality (Zeithaml 1981).
Heterogeneity	Their performance often varies from producer to producer, from customer to customer, and from day to day. What the firm intends to deliver may be entirely different what the cus-

	tomers receive (Booms & Bitner 1981).
Inseparability	Production and consumption of many services are inseparable (Carmen & Langeard 1980; Grönroos 1978). Quality occurs during service delivery, usually in an interaction between the client and the contact person from the service firm (Lehtinen & Lehtinen 1982); The consumer's input (description of how the haircut should look, description of the symptoms during the doctor's visit) becomes crucial to the quality of service performance. (Parasuraman et al. 1985)

Table 2. Characteristics of services (Parasuraman, Zeithaml, Berry 1985, p.42)

The word "quality" gained a significantly different and broader meaning over the last few decades. Whatever the companies suggest to their target groups, whether the services or products, quality plays one of the most major roles. Nowadays, high-quality services or products are imperative and important for the competitiveness of service industry (Shahin 2010, p.1). Moreover, Cronin and Taylor presented the pieces of evidence that the service quality is an antecedent of consumer satisfaction and that consumer satisfaction exerts a stronger influence on purchase intentions than does service quality (Cronin & Taylor 1992, pp.55-68).

Parasuraman, Zeithaml and Berry, a well-known team of academic researchers, revealed the concept of service quality that resulted in three main definitions (Parasuraman, et al. 2008):

- Service quality is more difficult for the consumer to evaluate than goods quality.
- Service quality perceptions result from a comparison of consumer expectations with actual service performance.
- Service quality is the result of the comparison made by customers about what they feel service firms should offer, and perceptions of the performance of firms providing the services.

2.1.1 Development of Service quality

An important part of the service quality development took place in the 1970s and 1980s and has, essentially, been driven by the Nordic countries.

Moreover, marketing, within business administration area, was the origin of the service design, and later service quality. (Bergman & Klefsö 2010)

Bergman and Klefsö (2010) accents Normann’s role in the development of the customer focus ideology. Richard Normann (1977) was the first to detect the significance of service and services management: “ I have always been critical to the focus on shareholders and emphasized that the only strategy for success is to create value for customers. It should be obvious that if you want to be rich you have to create value for someone. And the only thing that holds in the long run is to create value for the customers.”

2.1.2 Service quality models

Great contribution to service quality development was made by another researcher, and later professor (1999), Christian Grönroos. The researcher (1984, p. 40) created one of the earliest models of service quality, focusing on functional and technical quality (Bergman & Klefsö 2010).

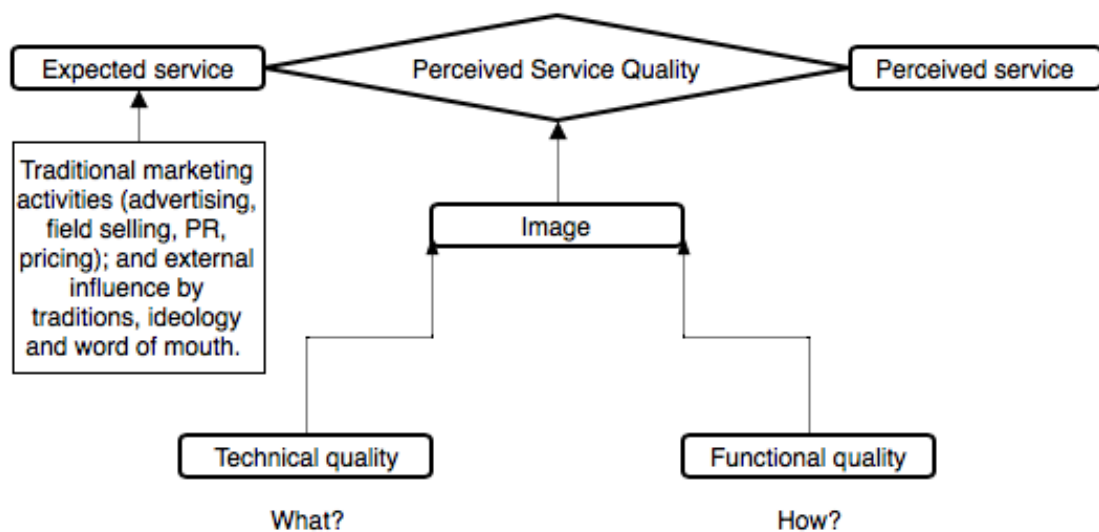


Figure 2. The Service Quality Model (Grönroos 1984)

According to Grönroos, service production and consumption activities are made simultaneously, and those who purchase these services can enter the production process and have a great impact on it. Moreover, the personnel play a major role in buyer-seller interactions as they shape the service that is offered. That is why it is important to build customer orientation strategy as the main consequence of the interactions will have an impact on the perceived service. (Grönroos 1984, pp. 36-44.)

The model was identified via qualitative method, and Grönroos (1984, pp.36-44) recognised that there are three service quality dimensions: technical quality, functional quality and corporate image. All of them do raise the service quality level. Technical quality focuses on what the service provides; and functional relates how the service is provided (Grönroos 1984, pp.38-39). Kang and James (2004, p.267) explained technical quality dimension as an outcome of the interaction process between the company and the customer in which the resources are used. Moreover, there are customers who pay attention to how the process itself functions including communications, staff and competence (Kang & James 2004, p.267.)

The company's image influence on the pre-purchasing decisions of the customers. Grönroos (1984, pp. 38-39) describes 'image' as the result of how the consumers perceive the firm. In this case, corporate image is formed by the technical and functional quality

Later, in 1985, Parasuraman created an important framework for defining and measuring service quality. Together with Zeithaml and Berry, Parasuraman developed a GAP Service Quality Model (1985, pp.41-50), presented in Figure 2, through the findings from exploratory research that contains in-depth and focus group interviews (Yarimoglu 2014, p.82). It illustrates how a negative gap between the experienced service and the expected service might have arisen as a consequence of a number of different gaps related to the design and production of the service (Bergman & Klefsö 2010).

According to Parasuraman et al., GAP model enables to measure the difference between consumers' perception and expectation of service quality (Parasuraman, et al. 1985). This framework presents five possible gaps, which were revealed after conducting several executive interviews (provider part: GAP1, GAP2, GAP3, GAP4) and focus group interviews (consumer part: GAP5).

Gap 1 reflects the firm's inability to fulfil initial customer expectations occurred by the different marketing communications. When the company pays less attention to the marketing research and has inadequate communication within the company, it is not possible to satisfy the target group with the prepared

content. Promising more than can be delivered will raise initial expectations but lower perceptions of quality when the promises are not fulfilled. (Parasuraman et al. 1985, p.44.)

Gap 2 refers to the inaccurate understanding of existing customer needs by the company's management. This may occur due to an ambiguity of organizational goals in the management of service quality, the lack of resources allocated to the management software. (Parasuraman et al. 1985, p.45.)

Gap 3 occurs when the customer expectations are not transferred into an appropriate operating process. Although the service provider understands customer needs, disinclination to correspond to the set service standards or poor training can lead to the procedural gap. (Parasuraman et al. 1985, p.45.)

Gap 4: In fact, leading companies have specific requirements for the efficient service delivery. However, this aim could play a low-down trick as firms start to focus only on this stipulation, it forgets the real company's capabilities. (Parasuraman et al. 1985, pp.45-46.)

Gap 5 results from above mentioned gaps when the customer perceived service differs from the expected. Customer's previous experience is formed by his/her personal needs, word of mouth recommendation and past service experiences. The focus groups' interviews revealed that the key to ensuring good service quality is meeting or exceeding what consumers expect from the service (Parasuraman et al. 1985, p.46).

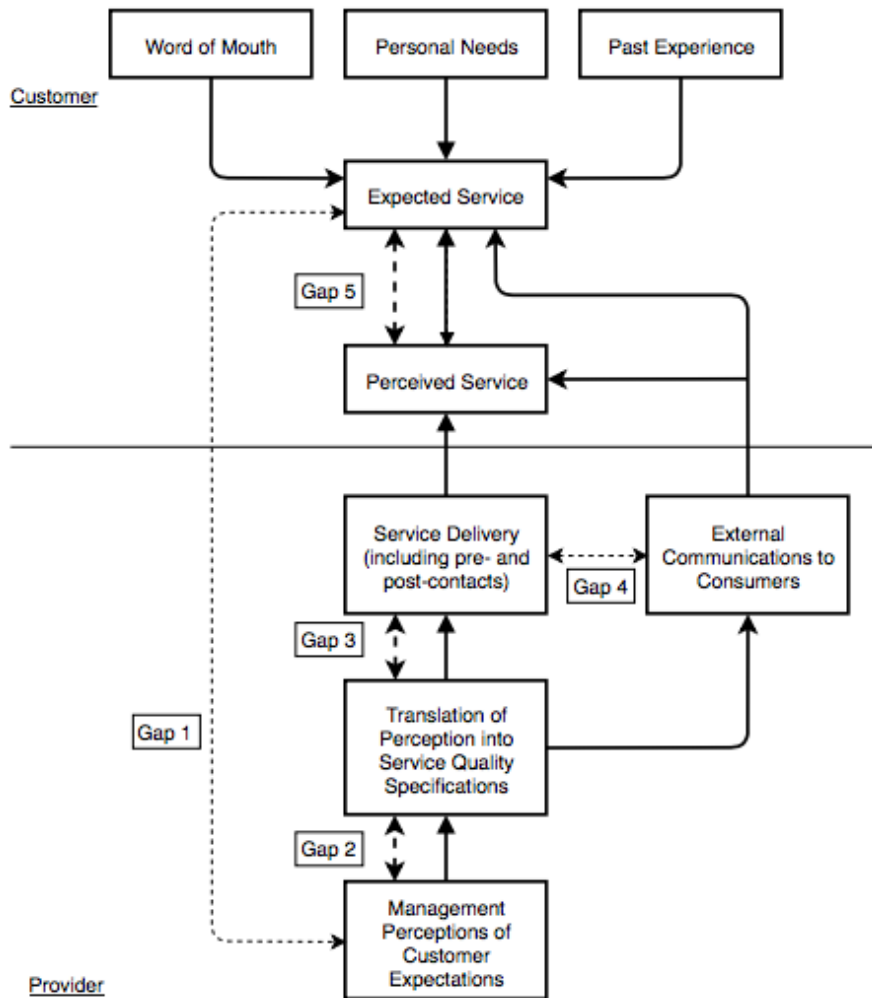


Figure 3. GAP Service Quality Model (Parasuraman et al. 1985, p.44)

Subsequently, Parasuraman, Zeithaml and Berry (1988) developed SERVQUAL (short for Service Quality), which is an advanced model to measure the service quality provided to customers. The main algorithm of this conceptual instrument is made by subtracting the perception score from expectation score. In practice, this model is used to determine the level of consumer satisfaction with products or services on the market. The SERVQUAL concept will be further discussed in the 2.3 Chapter.

2.2 Customer Satisfaction

A large and growing body of literature has investigated that customer is the person who buys a product or a service offered by a business organization. However, after the quality approach is applied, customer definition is considered from the different perspective. In this approach, the customer is a person that evaluates the level of service or product quality offered by a particular

company. As a result, a considerable amount of literature has been published on defining the customer. These studies showed that aforementioned term has another possible explanation included in the process-oriented approach: the customer is the person or group that receives the work output (Grigoroudis & Siskos 2010, p.9). Consequently, there are three customer categories:

1. **Self-unit customers** are described as individuals who are self-units of themselves, and for them self-inspection, a disciplined attitude, and a desire for excellence should be a way of life for everyone (Edosomwan 1993; Grigoroudis & Siskos 2010, p.9).
2. Personell of the organisations is considered as the **internal customers** that derive results from each other (one or more internal process owners), or even process outputs performed by suppliers (Edosomwan 1993; Grigoroudis & Siskos 2010, p.9).
3. According to process-oriented approach, **external customers** are dedicated to the final services' or products' users and buyers. (Edosomwan 1993; Grigoroudis & Siskos 2010, p.9).

Service quality has a strong correlation with customer satisfaction, financial performance, manufacturing costs, customer retention, customer loyalty, and the success of marketing strategy (Cronin, Brady & Hult 2000; Wong, Rexha & Phau 2008). This thesis is mainly focused on customer satisfaction that predicts future customer behaviours; which can directly influence the profit, including lower costs (Hill, Roche & Allen 2008, p.6; Johnson & Gustafsson 2000).

Customer satisfaction was described in terms of pleasurable fulfilment. Moreover, Oliver added that it is the judgment that a product or service feature, or the product or service itself, provided (or is providing) a pleasurable level of consumption-related fulfilment, including levels of under-or overfulfilment. (Oliver 1997.)

According to the available academic literature, customer satisfaction, or dissatisfaction has not a certain definition, and, can be described as an outcome, a process or a feeling (Howard & Sheth 1969; Churchill & Suprenant 1982; Hunt 1977, Hill, Roche & Allen 2008).

Approach	Definition	Author
Customer satisfaction as an outcome	The buyer's cognitive state of being adequately or inadequately rewarded for the sacrifices he has undergone.	Howard & Sheth (1969)
	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.	Churchill & Suprenant (1982)
Customer satisfaction as a process	An evaluation rendered that the experience was at least as good as it was supposed to be.	Hunt (1977)
Customer satisfaction as a feeling	Customer satisfaction, or dissatisfaction is a feeling a customer has about the extent to which his experiences with an organization have met their needs.	Hill, Roche & Allen (2008)

Table 3. Definitions of Customer satisfaction (Grigoroudis & Siskos 2010,p.5)

One of the more significant findings to emerge from the literature is that customer satisfaction depends on fulfilment of customer expectations. However, the most important role in creating long-term relationships with the customers plays customer perceptions. Thus this final feeling gives rise to various attitude and behavioural outcomes, such as repeat purchase intentions, word of mouth, brand loyalty, etc. (Grigoroudis & Siskos 2010.)

2.2.1 Importance of Customer Satisfaction

Nowadays, the majority of companies give a top priority to fulfilling the needs and expectations of their customers. If an organizations give to the customers what they really want and desire, then they receive in return a positive feedback, enhance brand recognition and increase customer loyalty. Likewise, Edosomwan (1993) points out that customer- and market- driven business organizations examines their opportunities in order to provide high- level products and services that fully satisfy customer needs. Furthermore, customers

are considered as the final judges who make the rules and elicit the level of product and service satisfaction level, delivery, price, and performance (Edosomwan 1993).

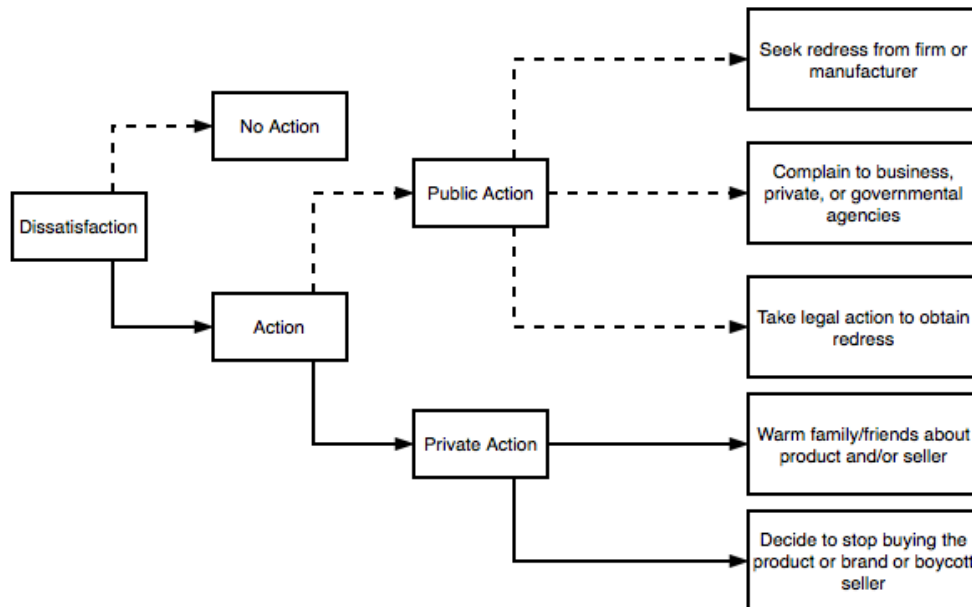


Figure 3. Dissatisfied customers complaint behaviour (Day & Landon 1977, Grigoroudis & Siskos 2010,p.3)

Figure 3 highlights a brief overview of the possible post-purchase actions that results from the dissatisfied customers with the services or products. No action situation takes place in most of the times when the customers are not sure that the business organization will make changes in processes (Motorola 1995; Dutka 1995). Thus there is no point in making a public or private action such as warning family and friends about the service disparity with the customer expectations.

2.2.2 Attitudes and behaviours

Hill et al. (2007,p.23) identify customer satisfaction as a key lead indicator of future customer behaviours and, therefore, future company performance. Nevertheless, in order to improve the organizational outcomes, it is crucial to divide both customer attitude and customer behaviour as shown in Figure 4.

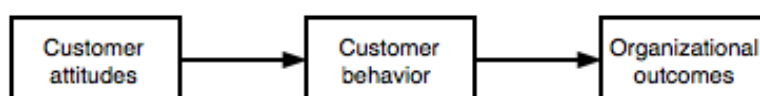


Figure 4. Attitudes and Behaviour (Hill, Roche & Allen 2007, p.32)

First priority is given to the customer attitude indicator when measuring customer satisfaction. It comes from the fact that this measurable parameter allows the company to monitor the meaningful information of organisational performance. Another key thing to remember is that customer behaviour was always seen as lagging indicators. In other words, information about defection rates or complaints may cause a confusion with customer satisfaction measurement. (Hill, Roche & Allen 2007, p.32-33.)

2.3 Customer Satisfaction and Service Quality

It would not be an exaggeration to say that nowadays leading companies understand that they are in the customer-experience business, and they understand that how an organisation delivers for customers is beginning to be as important as what it delivers (McKinsey Quarterly 2016). The investigation is dedicated mainly to the food technology market that is a service industry. In fact, the food market is considered as the largest service market in the world, and interest in the measurement of service quality is thus understandably high (Cronin & Taylor 1992, pp.55-68).

As many previous studies were carried out, it appears that judgments of high and low service quality depend on how the consumers perceive the actual service performance in the context of what they expected (Zeithaml et al. 1985). Consequently, the dominant factor of a high customer satisfaction becomes the extent of the service quality.

2.3.1 Relationship between both determinants

Empirical studies (Cronin et al. 1992, pp.56-68; Wong et al. 2008) suggest that service quality has a strong relationship with customer satisfaction, financial performance, manufacturing costs, customer retention, customer loyalty, and the success of marketing strategy. Furthermore, Kotler states in his book "Principles of marketing" (2002):

"Quality has a direct impact on product performance, and thus on customer satisfaction thus, it is closely linked to customer value and satisfaction. " (Kotler 2002, p.230)

Oliver (1980) proposed that service quality is built upon antecedent conditions, and then comes customer satisfaction/dissatisfaction formation. Later, researchers contributed to the empirical evidence of the determinants' correlation where customer satisfaction results from the organisation's service quality.

In 2002, Wang and Shieh conducted a quantitative research in order to determine the impact “of the five dimensions of service quality on user satisfaction” based on the following hypothesis: “Overall service quality has a significantly positive effect on user satisfaction”. (Wang & Shieh 2002, p.198.)

As a result, researchers statistically confirmed a positive relationship between service quality and customer satisfaction.

2.4 SERVQUAL model

Customer satisfaction should be transferred into measurable parameters that provide an effective, direct and meaningful and objective way the customers' preferences and expectations (Gerson 1993; Grigoroudis & Siskos 2010, p. 1). This chapter gives the reasons for the widespread use of SERVQUAL and eSERQVAL model as one of the most reliable and effective tools to measure service quality.

Both models include service quality dimensions which determine the level of customer satisfaction (Figure 4):

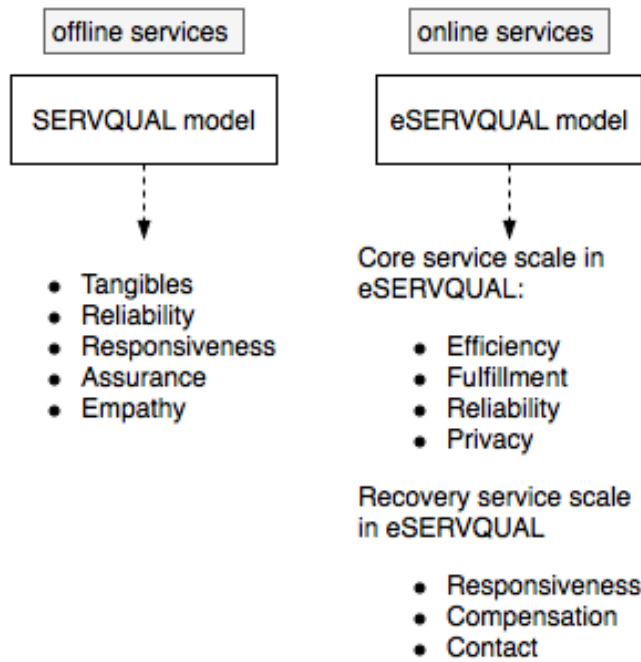


Figure 5. SERVQUAL model dimensions (Parasuraman et al. 1985); eSERVQUAL model dimensions (Zeithaml, Parasuraman, & Malhotra 2000, 2002).

In 1985, Parasuraman et al. conducted several in-depth interviews in four different business spheres: bank, credit card company, security company and products maintenance company. This investigation resulted in the Gap Model that was discussed in the Chapter 2.1.2. Moreover, the group of researchers identified 10 dimensions that characterise these gaps: tangibles, reliability, responsiveness, communication, credibility, security, competence, courtesy, understanding the customer, and access.

Later, in 1988, Parasuraman et al. came to a conclusion that the dimensions had to be narrowed down to only 5: tangibles, reliability, responsiveness, assurance and empathy. When applying the SERVQUAL model to practice, these determinants describe the level of service quality in measurable parameters. The further analysis allows estimating customer satisfaction or dissatisfaction with the service.

The dimensions are described as follows:

- Tangibles refer to physical facilities, equipment, and appearance of personnel;
- Reliability is the ability of an organisation to perform what it guarantees to its customers- properly and in a timely manner;

- Responsiveness means how easily, in the opinion of clients, the representatives of the organisation respond to their wishes and requests;
- Assurance means the knowledge and the courtesy of the employee and his ability to inspire confidence;
- Empathy a special attitude to each individual client, taking into account its specific features, the desire to understand its individual needs and the desire to satisfy them, providing competent individual service (Parasuraman 1988).

However, the model was reviewed due to changing trends in the consumer preferences: in 2000's more and more people started to make their purchases online as they find it easier and less time-consuming. Researchers continued studying this broad scope and developed the E-SERVQUAL model (Zeithaml et al. 2002, pp. 362-375) which best describes the online services of a particular company. E-SERVQUAL model includes seven elements of service quality- efficiency, reliability, fulfilment, privacy, responsiveness, compensation, and contact (Zeithaml et al. 2002, pp. 366).

The study is conducted in several stages, which will be explained in the empirical part using compressive and descriptive methods. Investopedia describes this method as follows: "Descriptive statistics, in short, help describe and understand the features of a specific data set, by giving short summaries about the sample and measures of the data."(Investopedia 2017)

3 Theoretical framework

The key to sustainable competitive advantage in today's competitive environment lies in delivering high-quality service that results in satisfied customers (Raj & Tat 2014). It would not be an exaggeration to say that companies attempt to manage customer's feedback in order to adjust services that will in return increase the customer satisfaction. According to Parasuraman et al. (1985), when the perceived service quality stays at a high level then it will lead to increase in customer satisfaction.

This chapter introduces the theoretical framework that introduces the main concepts of the thesis. In order to measure customers the satisfaction of the Partiya Edi on service quality, SERVQUAL model is applied to the framework in order to identify how customers are satisfied with company tangibles, reliability, responsiveness, assurance and empathy.

This practical tool for assessing the quality service is widely applied in many research projects and is described in a number of manuals on management and marketing services.

In fact, the case company is offering both online and offline services. That is why some dimensions include online subtleties. Figure 2 presents the theoretical framework of the study and answers to the main research question.

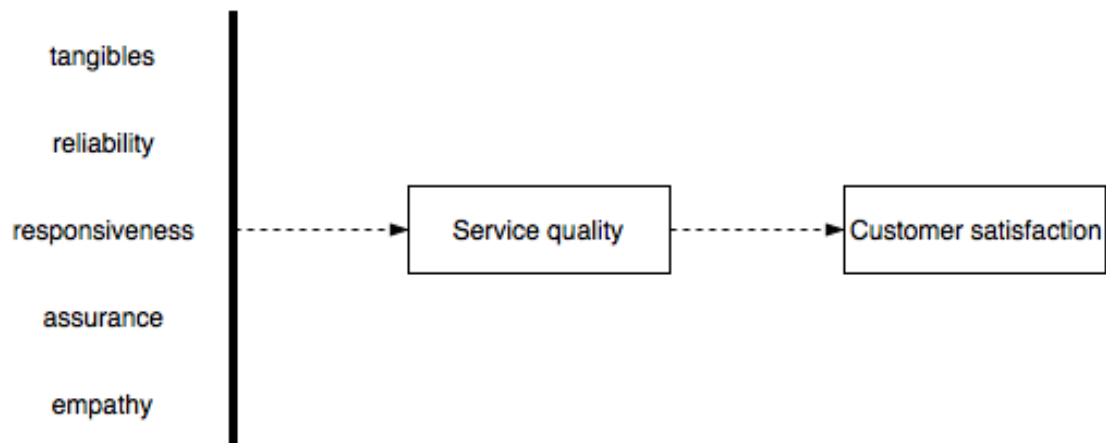


Figure 5. Theoretical framework of the study

4 Research method

4.1 Research approach

The research method is often associated with two approaches- inductive and deductive (Wilson 2010). The main aim of the study is to find out the effective techniques in order to fulfil the present gaps in the customer satisfaction of the "Partiya Edi" company. In this case study, the deductive approach is implemented. It involves the development of a theory that is subjected to a rigorous test (Saunders et al. 2009). Collis and Hussey (2003) describes the deductive method as the dominant research approach in the natural sciences,

where laws present the basis of explanation, allow the anticipation of phenomena, predict their occurrence and therefore permit them to be controlled. Figure 3 depicts the research approach applied in the thesis.

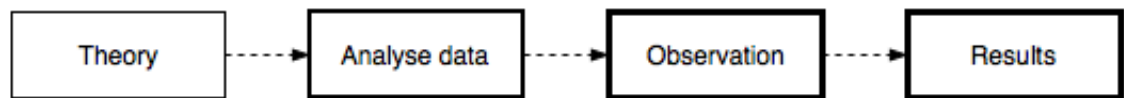


Figure 6. Deductive approach

4.2 Research strategy

An additional important characteristic of deduction is that concepts need to be operationalised in a way that enables facts to be measured quantitatively. Quantitative is predominantly used as a synonym for any data collection technique (such as a questionnaire) or data analysis procedure (such as graphs or statistics) that generates or uses numerical data. (Saunders et al. 2009,p.151.)

The investigation is conducted as mainly quantitative via a questionnaire that was presented to the sample of 200 respondents. Quantitative method will help to measure variables included in the SERVQUAL model and to identify the perceived service quality. Finally, it is important to merge all the collected data and to create a clear picture of the company's recent situation. As a result, there will be more precise recommendations and techniques to increase the customer satisfaction.

The statistical research process is shown in Figure 7.

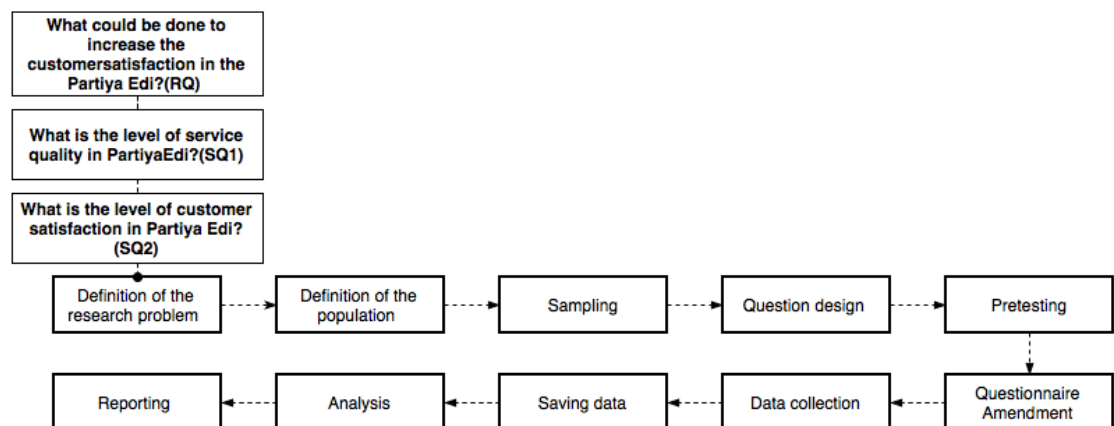


Figure 7. Statistical research process

At the beginning, the most important stage in the project development is to state a clear and an accurate problem. Moreover, if the problem is not correctly identified, the results could be inefficient and inaccurate. (Mattsson 2009, p. 24.)

The population consists of all the items or individuals about which the conclusions are drawn: personnel, products, and habitants. Consequently, the researcher indicates the method of data collection, whether the information is gathered via questionnaire or secondary data. When conducting the survey, it becomes crucial to choose a sample that is the portion of the population selected for analysis.

Sampling always saves time, an important consideration when you have tight deadlines. Therefore, surveys are used to obtain information from the entire population but the only sample of the data is analysed. There two types of sampling techniques: probability and non-probability sampling. In probability sampling, all elements included in the sample have a known chance of being selected. However, the participants are chosen in a purposeful way in the second technique.

According to Saunders (2009, p. 356), there is a list of important aspects to be reviewed when designing a questionnaire:

1. careful design and individual questions;
2. clear layout of the questionnaire form;
3. lucid explanation of the purpose of the questionnaire;
4. pre-testing;
5. carefully planned and executed administration.

5 Data collection

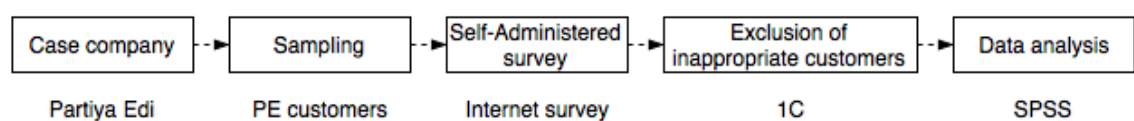


Figure 8. Data collection and analysis

According to the chart presented above, the research process consists of the four main stages which are included in the empirical part.

5.1 Case company

The food technology market developed through ages in order to simplify the customer's journey. The way people do purchase products and services became fundamentally different. Moreover, no physical presence in a store is required. Nowadays, companies represent in-store digital technology that allows customers to order everything online for delivery to home, to use online automatic subscription, or use the virtual supermarket.

The fundamental mission of any company is to bring value to customers via the solution of a particular problem. Online shopping was the first step in making customer's life easier. However, there was the second step - cooking, which companies took into consideration in 2012. American subscription-based companies such as HelloFresh, Blue Apron and Plated introduced a new meal kit delivery service. The weekly subscription services deliver kits to customers' doors for two or four people that include raw ingredients and step-by-step cooking instructions for approximately €5 to €14 per meal. Each company makes an enormous job in order to satisfy their customers such as working couples, big families and singles. It was more evolutionary than revolutionary change. These companies reinvented a traditional way of cooking and made it more convenient and creative.

In the USA the meal kit delivery market forecasted to generate up to 1,5 billion in sales and will continue growing in the next 5 years (Packaged Facts 2016). This new trend promptly spread to other markets. For instance, HelloFresh implemented the international strategy and entered both American and European market. Of course, there are dozens of other companies throughout the world.

Russia followed the overseas "fashion", and in 2014 started to operate under the service founders' scheme. Nowadays, "Chefmarket" and "Party of Food" are the leading platforms that grew rapidly in Moscow and Saint Petersburg. These counterparts demonstrate a wide range of tasty dishes, with high-

quality products. Weekly delivery includes recipes, explained step by step, and all the needed parts to create a beautiful dish in 30 minutes. Reliable package of the delivery plays no less important role in the business sustainability.

Regardless of the business location, customer satisfaction affects the company success. People who grew up in the digital technology world are called Generation Z (Benhamou 2015) and are the main target customer segment in the aforementioned market.

At the moment, Partiya Edi suggests four types of a menu (homemade, classic, vegan and premium). Moreover, customers can choose the quantity of dinners (3 or 5), and the number of persons that will follow the instructions and cook the delicious meals (for 2 or 4 persons).

The differentiation of these dishes starts from the price, the cheapest one is "Homemade" as it contains the simplest and the low-priced ingredients. For instance, the customer can order chicken legs in the honey marinade with mashed potatoes, pork medallions with buckwheat and mushrooms and baked pasta with homemade meat. This kind of dinner usually easy to prepare and does not take much time. The second dinner, "Classic", belongs to the second price category, and also easy to cook. However, the variety of dishes differs from homemade as they sound more attractive and comprises more interesting ingredients.

"Vegan menu" speaks for its name: the vegetarian menu for a week consists of products of vegetable origin, in which grain, vegetables, fruits, nuts, dairy products and eggs predominate. Exceptions are animal, poultry and fish meat. The protein, which is found in meat, is replaced by the protein that is found in dairy products, eggs, legumes, nuts, spinach, kohlrabi, and cauliflower. The majority of companies enhance the price on vegan products, especially in vegan shops, as it is rarely possible to find these diet products. However, this way of living becomes more and more popular among Generation Z that is why many restaurants, retail markets, and meal-kit delivery services add such option to their customers.

If the customer wants to feel the restaurant spirit, and eat something very special and expensive, then Partiya Edi offers “Premium menu” that contains costly products, such as steak beef.

In addition to any chosen dinner, it is possible to order the box with pre-portioned ingredients for cooking five delicious and healthy smoothies for 2-3 persons as well as the optional kit for the desserts’ and soup preparation, 6-8 servings, for 2-3 days.

In order to satisfy and to surprise their loyal and new customers, in the end of March, in 2017, Partiya Edi launched the breakfast boxes so that the clients can not only enjoy a tasty dinner but also start their day with a healthy breakfast. The company understands the need in being competitive and special: it is the first meal-kit delivery service in Russia that began to sell a set of wine in addition to dinners. In other words, the customers choose the menu and can order 4 bottles of wine that suits a particular dinner from the menu.

5.2 Sample

Sample identification process consists from several steps:

1. specifying the sampling frame;
2. specifying the sampling unit;
3. selection of the sampling method;
4. determination of sample size;
5. specifying the sampling plan;
6. selecting the sample (MBA KNOWLEDGE BASE 2017)

The study is conducted on the basis of the Partiya Edi, and, consequently, the company’s customers are considered as a target population. However, it is impossible to reach all the respondents and collect reliable data from the whole population. In this case, the sample frame is made up in order to collect data and interpret the results. A non-probability method is used to develop the sample. In the non-probability method, the respondents are selected on the grounds of their accessibility or by the purposive personal judgment of the researcher (Explorable 2017).

The survey is constructed using a list-based sampling frame so that it requires only contact information on each unit in the sampling frame (Fricker 2008). Thus, the survey is sent to the newsletter subscribers - company's customers who want to receive recent information via email. Moreover, judgement sampling is applied in the survey that is a form of non-probability sampling technique usually used when a limited number of individuals possess the trait of interest (Explorable 2017). This form of sampling sometimes used for test markets or for surveying specific persons that are typical or representative of the population (McMurray 2004).

According to the company's delivery turnover, weekly it delivers from 900 to 1000 boxes. This information allows defining the sample size that is equal to 200 respondents.

6 Survey

Nowadays Google forms are one the most convenient tools for conducting online surveys. Moreover, the majority of Partiya Edi customers are acquainted with this survey format.

Introductory questions are used in order to qualify the respondent as someone who belongs to the sample and excludes inappropriate customers that do not belong to the sample. In fact, there are many active users in the VK group so that it is crucial to identify real company's customers. That is why, the survey description includes the information about the aim of the study, the participant's identification (PE customers), the rewards for survey response, and the deadlines. The first part includes the following questions:

- Close-ended questions
 - multiple- choice questions in order to indicate the respondent's background
 - dichotomous questions

In the second part of the survey, consumers are requested to fill in the part of the questionnaire which consists of different statements. The customers evaluate each service quality dimension using a five-point Likert scale of "1-5."

Mealkit delivery service consists of several parts that build up the company's image during the customer journey. The questionnaire captures the consumers' perceptions about each meaningful element in the business: the external and internal box conditions (ingredients, recipes, bags), meal variety, the efficient manager work, the delivery, feedback and problem solving.

6.1 Saving data

After the survey is conducted, all the information is driven to SPSS in order to evaluate and interpret collected data into the measurable and graphic format. All the results are collected in a summary table, analysed by using SPSS, and presented in the form of charts and tables.

When using conducting a statistical testing, data could be classified under categorical or quantitative variables. Numerical values considered to be classified under quantitative variables. Whereas, when the measurement scale of data is a set of categories then they are classified under categorical variables (Agresti & Finlay, 2009, p. 12-14). Consequently, as illustrated in the picture, interval data are quantitative variables, ordinal and nominal are categorical variables (Figure 9).

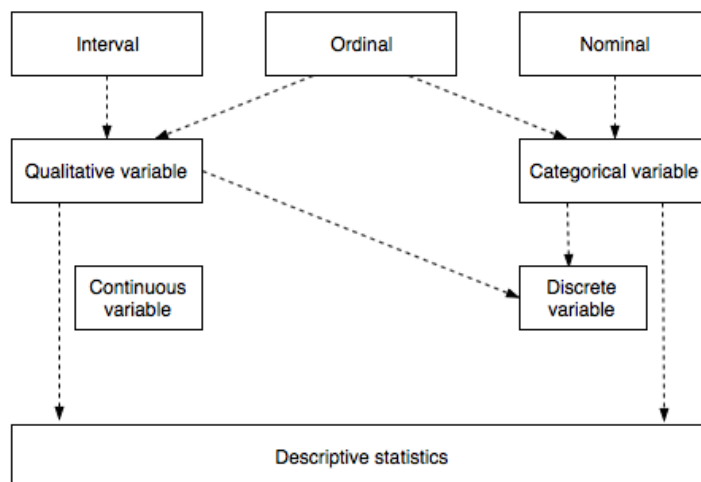


Figure 9. Types of variables

Therefore, within the framework of this study, all the variables were categorical as the measuring scales were sets of categories. For example, some of the variables were coded and classified as follows:

1. Managers respond on questions: 1- Fully disagree, 2- Almost disagree, 3- Hard to say, 4- Almost agree, 5- Fully agree;
2. Satisfied with the service: 1- Very dissatisfied, 2- Somewhat dissatisfied, 3- Neither satisfied nor dissatisfied, 4- Somewhat satisfied, 5- Very satisfied;
3. Respondent's age: 1- (18-29), 2- (30-39), 3- (40-49), 4- (50-59), 5- more than 60.

In order to analyse the entered data, the first part of the qualitative analysis is dedicated to the descriptive statistics. It comes from the fact that data could be summarised in tables, graphs, as they are the most efficient tools of presentation. Thus, data is explained in the table format, bar and pie charts. Meanwhile, crosstabulation is used in order to depict the sample population characteristics and to describe the relationship between two categorical variables. Moreover, the Kolmogorov-Smirnov Test is used in order to test the normality of both age and length of customership variables. Consequently, for better result's interpretation, the study includes the Spearman's correlation coefficient - a nonparametric test that measures the strength and direction of the association between two ranked variables (Laerd Statistics 2017). In the study case, Age and Length of customership variables are checked on their correlation. In other words, whether the length of being a customer depends on the age of the respondent. If the significance value is below 0,05 than there is a correlation.

With the help of the effective quantitative tool, the following results is achieved:

1. Samle presentation:

Table 4: Respondents hometown * Respondents gender Crosstabulation;

Table 5: Respondents separation by the city (Moscow/Saint-Petersburg);

Table 6: Respondents gender * Respondents age;

Table 7: City * Family status Crosstabulation;

Table 8: Respondents hometown * Length of the customership Crosstabulation;

Table 9: Tests of Normality of Age and Length of customership

Table 10: Spearman's rank order correlation (Age and length of customership);

2. Level of service quality in Partiya Edi? (SQ1)

Table 11-13: Frequency tables for each service quality dimension, which represents summary measures for this categorical variable in the form of frequency tables;

Table 14: Friedman's test (K related samples) is made in order to test the differences between groups when the dependent variable being measured is ordinal. In other words, the study includes

3. Customer satisfaction measurement in Partiya Edi? (SQ2)

Respondents are divided into more mutually exclusive classes with no implied ordering: gender, age, and time of being using the service.

The next questions identify the level of service quality by each important element during the customer journey:

4. efficiency of the tangible aspects (tangibles);
5. employee effectiveness (reliability/responsiveness/empathy/assurance);
6. delivery effectiveness (reliability dimension);
7. feedback effectiveness (reliability/responsiveness);
8. the comparison of each statement and the identification of the most satisfied as well as dissatisfied criteria;
9. pie chart that indicates customer satisfaction level.

7 Research findings

This part represents the data analysis and main results of this work. This chapter combines both empirical and analytical parts in order to make it easier for the reader.

7.1 Sample presentation

Table 4 (p. 30) depicts the sample characteristics of Partiya Edi sample. According to the gathered information, it could be seen that the customers are

not evenly distributed by gender. Male were made up of 19% of the sample while female were made up of 81%.

With a total sample of 200 respondents from Partiya edi company, among the age characteristics, those with ages from 18-29 have a higher percentage (50%) than those of ages greater than 30 years. Meanwhile, there are two customers with the age more than 60, what comes logical- the company's target audience are young customers with children (Table 5, p.31).

			Gender		Total
			male	female	
Respondents hometown	Moscow	Count	17	83	100
		% within City	17,0%	83,0%	100,0%
	Saint-Petersburg	Count	21	79	100
		% within City	21,0%	79,0%	100,0%
Total	Count	38	162	200	
	% City	19,0%	81,0%	100,0%	

Table 4. Respondents hometown * Respondents gender Crosstabulation

			Respondents age					Total
			18-29	30-39	40-49	50-59	60 and more	
Gender	male	Count	20	11	5	1	1	38
		% within Gender	52,6%	28,9%	13,2%	2,6%	2,6%	100,0%
	female	Count	80	55	21	5	1	162
		% within Gender	49,4%	34,0%	13,0%	3,1%	0,6%	100,0%
Total	Count	100	66	26	6	2	200	
	% within Gender	50,0%	33,0%	13,0%	3,0%	1,0%	100,0%	

Table 5. Respondents gender * Respondents age Crosstabulation

Table 6 shows that not married with no children made 28% of the sample while married with no children made 25,5%. Meanwhile the category of married with children had higher percentage (40,5%) than the rest that are included in the sample (11.7 %.)

		Respondents family status					Total	
		not mar- ried:with children	not mar- ried:no chil- dren	mar- ried:with children	mar- ried:no children	another		
City	Moscow	Count	4	23	45	28	0	100
		% within City	4,0%	23,0%	45,0%	28,0%	0,0%	100,0 %
City	Saint- Peters- burg	Count	5	33	36	23	3	100
		% within City	5,0%	33,0%	36,0%	23,0%	3,0%	100,0 %
Total		Count	9	56	81	51	3	200
		% within City	4,5%	28,0%	40,5%	25,5%	1,5%	100,0 %

Table 6. City * Family status Crosstabulation

Partiya Edi company was launched in 2014 in Saint-Petersburg, Russia. However, the gathered data shows (Table 7) that the majority of the respondents are rather new customers (24,5%). One thing is clear - new customers are the most active customers as they more likely to leave feedback and comments on social media such as Instagram, VK, Facebook and Gmail via emails. It comes from the fact that the survey was conducted online so that these channels of interaction are the most common ways to post positive or negative reviews on the product.

		Length of the customership						Total	
		less than a month	1-3 months	3-6 months	6-12 months	1-2 years	more than 2 years		
Gender	male	Count	8	2	8	9	10	1	38
		% within Gender	21,1%	5,3%	21,1%	23,7%	26,3%	2,6%	100,0%
Gender	female	Count	41	31	24	34	22	10	162
		% within Gender	25,3%	19,1%	14,8%	21,0%	13,6%	6,2%	100,0%
Total		Count	49	33	32	43	32	11	200
		% within Gender	24,5%	16,5%	16,0%	21,5%	16,0%	5,5%	100,0%

Table 7. Respondents gender * Length of the customership Crosstabulation

Spearman's rank order correlation test is conducted in order to examine the relationship between the age and the length of the customership. The results show (Table 9) that there is no correlation between two variables as the significance value 0,056 is more than the selected risk level 0,05.

The table below (Table 8) depicts the results reached by testing the normality (the Kolmogorov-Smirnov Test and the Shapiro-Wilk Test) of Age variable and Length of customership. As the sample size is more than 50 respondents, we use the Kolmogorov-Smirnov Test.

We can see from the Table 8 that for the Respondent's age and the Length of customership dependent variables are not normally distributed. The Sig. value of the Kolmogorov-Smirnov Test is below 0.05. It means that the data significantly deviate from a normal distribution.

Tests of Normality						
	Kolmogorov-Smirnov ^a			Shapiro-Wilk		
	Statistic	df	Sig.	Statistic	df	Sig.
Respondents age	,295	200	,000	,769	200	,000
Length of customership	,157	200	,000	,901	200	,000

a. Lilliefors Significance Correction

Table 8. Tests of Normality (Age variable and Length of customership)

According to the Table below (Table 9), we could say that two variables do not correlate (sig. value is over 0,05). Consequently, the following hypothesis is not true: the respondent's age does not affect the duration of the customer-ship.

Correlations			Respondents age	Partiya edi customer
Spearman's rho	Respondents age	Correlation Coefficient	1,000	,135
		Sig. (2-tailed)	.	,056
		N	200	200
	Partiya edi customer	Correlation Coefficient	,135	1,000
		Sig. (2-tailed)	,056	.
		N	200	200

Table 9. Spearman's rank order correlation

7.2 Level of service quality in Partiya Edi (SQ1)

The first research sub-question is referred to service quality level. Thus, respondents were asked to scale each significant part of the service that starts with the ordering process and ends with the delivering. Relying on the

statistical data, we could say that overall the majority of respondents are satisfied with the service, especially with the employee effectiveness.

Table 10 depicts the statements which are dedicated to the overall company's service estimation and are coded in the following way:

T1: the company has a visually pleasing design of the box and its components (packages, recipes);

T2: The box includes fresh, chilled and packed by days of the week products;

T3: The box includes an interesting menu with clear step-by-step actions;

T4: Computer and mobile versions of the site work correctly (when ordering, entering a promocode).

T5: In the end, you get delicious and high in quality dish.

Question 8 was concentrated on the manager's evaluation in order to identify the effectiveness of the Customer service. The statements are coded as:

M1: Managers communicate with you in a friendly and confident manner;

M2: Managers answer to all your questions;

M3: Managers understand the customer needs.

M4: Managers represent a special attitude to each individual client, the desire to understand his individual needs and desire to satisfy them.

Finally, the respondents were asked to assess the courier's work.

C1: Company provides services accurately and on time;

C2: If you have problems, the couriers sincerely try to solve them;

C3: Couriers avoid mistakes and inaccuracies in their operations.

Mean results on the variables M1-M4 are the highest in comparison with the tangibles and reliability dimensions. Unfortunately, there is a dramatic decline in the company's tangibles. For instance, T5 (computer and mobile version of the site) is equal to 4,03; T6 (quality of dish) made 4,30 from the 5 Likert scale.

		Company's tangibles					
		T1	T2	T3	T4	T5	T6
N	Valid	200	200	200	200	200	200
	Missing	0	0	0	0	0	0
Mean		4,63	4,46	4,34	4,37	4,03	4,30

Table 10. Company's tangibles

		Employee effectiveness (reliability/responsiveness/empathy/assurance)			
		M1	M2	M3	M4
N	Valid	200	200	200	200
	Missing	0	0	0	0
Mean		4,76	4,79	4,52	4,61

Table 11. Employee effectiveness

If we take a look at the gathered results presented in Table 12, it is clear that delivery process stays at the high level. In fact, the majorities of couriers deliver boxes at the right time and avoid inaccuracies in their operations. This part of the service is essential for the customers a

		Delivery effectiveness (reliability dimension)		
		C1	C2	C3
N	Valid	200	200	200
	Missing	0	0	0
Mean		4,67	4,72	4,69

Table 12. Delivery effectiveness

	Descriptive Statistics				
	N	Mean	Std. Deviation	Minimum	Maximum
Visually appealing design of the box	200	4,63	,644	2	5
Fresh, chilled and packed by days of the week products	200	4,46	,838	1	5
Menu with clear step-by-step actions	200	4,34	,871	1	5
Variety of recipes	200	4,37	,847	2	5
Computer and mobile versions	200	4,02	1,049	1	5
Quality of dish	200	4,29	,749	1	5

Managers communication manner	200	4,76	,612	1	5
Managers respond on questions	200	4,78	,600	1	5
Customer needs	200	4,52	,814	1	5
Individual attitude	200	4,61	,728	1	5
Services accurately and on time	200	4,67	,717	1	5
Problem solving	200	4,72	,697	1	5
No inaccuracies and mistakes	200	4,68	,706	1	5

Table 13. The mean rank for each of the related groups

The Test Statistics table depicts the actual results of the Friedman test. Moreover, we could see whether there is an overall statistically significant difference between the mean ranks of the related groups. In this case, the test is conducted for all service dimensions.

According to the Table 14, the most important index is the significance level ("Asymp. Sig."), which shows the main result of the Friedman test. There is a statistically significant difference in perceived service quality depending on which service dimension is evaluated by the respondent, $p = 0.000$.

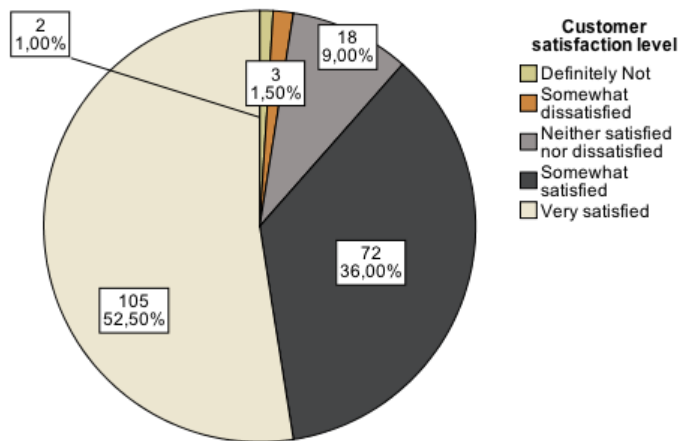
N	200
Chi-Square	289,020
df	12
Asymp. Sig.	,000

a. Friedman Test

Table 14. Friedman's test (K related samples)

7.3 Customer satisfaction measurement in Partiya Edi (SQ2)

The pie chart below depicts the customer satisfaction for this study. With the sample size of 200, 52,50% of the total sampled population are very satisfied with the service while 2 respondents of them are very dissatisfied.



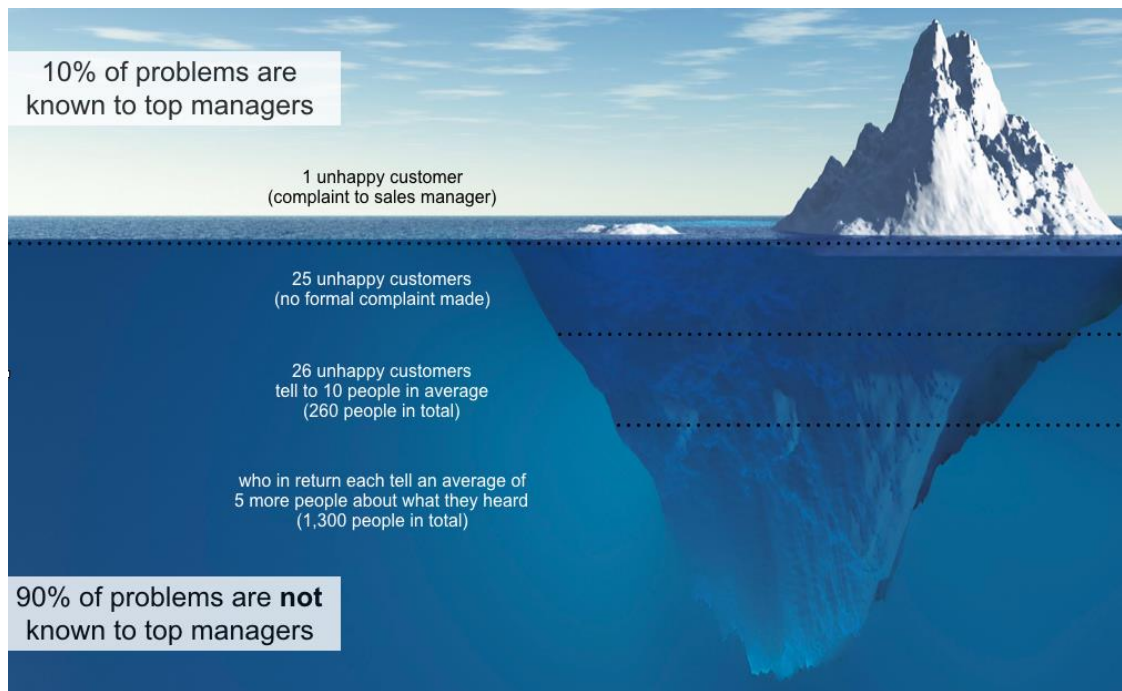
Pie chart 1. Customer satisfaction level

8 Discussions and conclusions

In order to answer the main research question (RQ1: What could be done to increase the customer satisfaction in the Partiya Edi?), there is a need to understand the recent level of service quality and customer satisfaction, which are considered in the sub-questions (SQ1, SQ2). It comes from the fact that company's success depends on these two determinants. However, both of them include a plurality of invisible factors as the iceberg principle. Business Dictionary explains this term as an observation that in many cases only a very small amount of information is available or visible about a situation or phenomenon, whereas the 'real' information or bulk of data is either unavailable or hidden (Business Dictionary 2017).

With the era of customer development, companies do facilitate their top managers to collect customer feedbacks in order to make changes in the business model or even come to 'pivot'- total business restart. However, sometimes it does not mean desperation, a tool to discover additional growth that you might otherwise have overlooked (Spoon 2012).

In 1999, TARP Inc. conducted a research (Goodman 1999), which showed the following results: only one customer from 26 unhappy will make a complaint when the rest part will share their negative experience with relatives and friends (or even jump to another service provider). Thus, companies have to look for unhappy customers what implies much more going on under the surface than is visible.



Picture 1. Customer complaint Iceberg (TARP 1999)

8.1 Service quality and Customer Satisfaction

From the summary of the results, it shows that the present study has a lot to be discussed. This chapter is dedicated to the service quality level and customer satisfaction discussion.

With regards to the first sub-question of what is the level of service quality, we could say that it is rather high than low. In the theoretical part, the study identifies five service dimensions which are later presented in the measurable format. The survey analysis identified the mean ranks for each service quality dimension which includes several statements (T1-T6, M1-M4, C1-C4). Consequently, we could confirm that the major problems start with the company's computer and mobile version which does not work properly (4,03). Moreover, not every customer gets a delicious and high in the quality dish (4,30). Finally, there are some misunderstandings during cooking process which arises from reading the menu (4,37).

Nowadays, each business has its 'mobile tasks'. In Russia, 29% of Internet users went online shopping from computers, 19% from mobile devices (TNS WEB IN-DEX 2015). These statistics stimulate companies to go more online by creating favourable conditions for this. Although Partiya Edi provides this

kind of option, it does not work properly and efficiently. With the mobile platform, some processes become easier: bonus track, order track, order change. In this case, there has to be done much work with the online communication otherwise customers find more convenient companies.

Therein lies the key to our findings, because the mobile and computer versions are much more relevant for an e-commerce or online company than it is for an offline company. Yet we have seen that customers are finding no significant difference between the companies when it comes to the factors restricted to an online setting. The efficiency of all the process depends on the IT department that is in charge of computer and mobile platforms development as well. Unfortunately, if any problems emerge in the client's personal account, this client and his manager do suffer at the same time. The customer gets a bad experience, then comes complaints which the manager faces directly reading negative comments. In this case, the best way is to focus on the mobile and computer platforms and try to make the process easier for both sides (the customer and the manager).

Of course, it is impossible, nowadays, to overcome live communication, call centres. In Partiya Edi Company, there are "Customer Care" department where managers contact with people via phone. As we can see, according to the results, people judge managers work with the high grades. In my personal experience (I was practising one month in the "Customer Care" department in the case company), a lot of impacts are done to build tight connections with the customers at the beginning of their customer journey. Managers do always call to their clients, remind them to order a box for the next week and try to stay polite with unsatisfied clients.

Partiya Edi company has an obvious great delivery as we can see the average grades are satisfactory. The majority of the clients receive their boxes with pre-portioned dinners accurately and at the right time. Although couriers do their work correctly, there are some drawbacks such as product quality. One of the company's motto: "We deliver fresh and pre-portioned ingredients with recipes". The key word is freshness. According to the results, the majority of the customers get fresh, chilled products packed by days of the week (4,46).

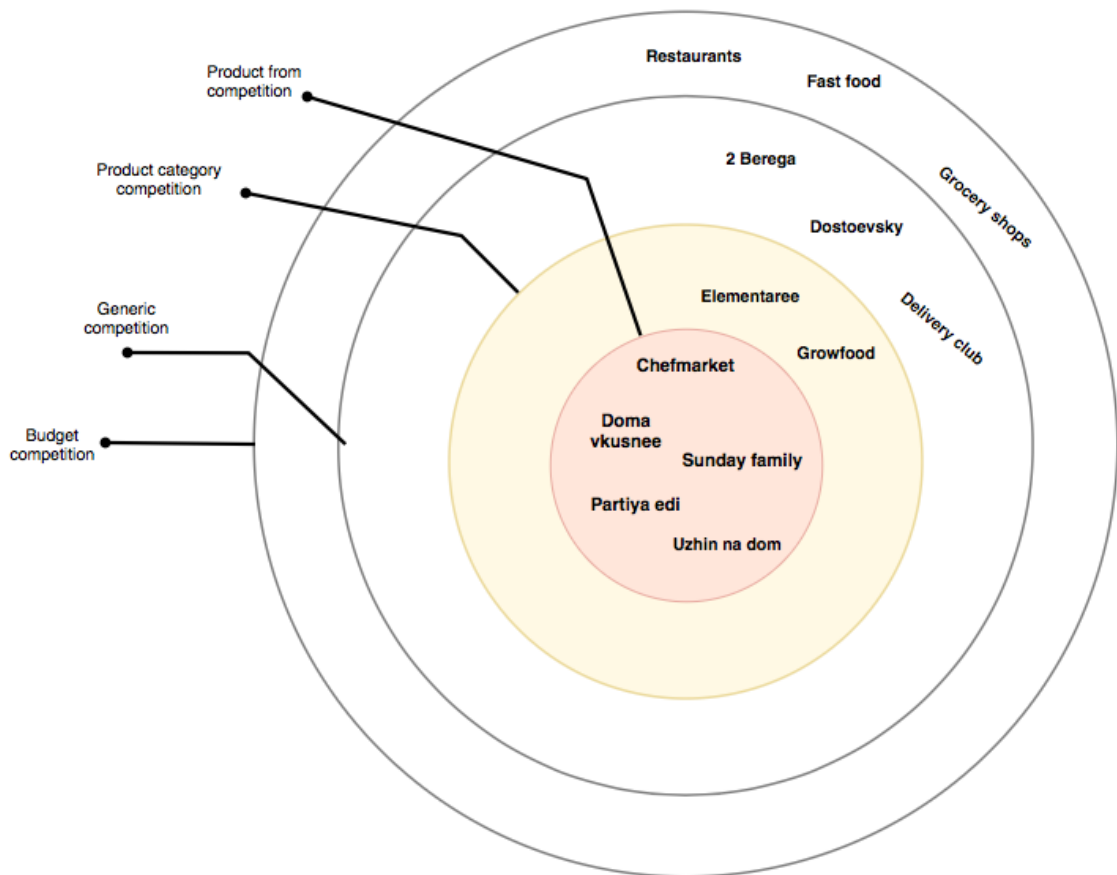
In my view, the index could be increased by improving logistics. It comes from the fact that such factors as the weather and the box location in the trunk do cost attention. However, it also costs money as, nowadays, the company deliver orders in the cars without cooling effect. Consequently, during the delivery, some products could be damaged. This significant part of the meal-kit delivery company must be taken into account as well. Customers want to get what they read in the motto and stay satisfied with the received experience, which starts with the opening the box.

Statistically, most of the Partiya Edi company customers are more satisfied than not. There are many reasons for such high level of satisfaction. Kotler and Keller (2009, p.169) confirms that “higher levels of quality leads to higher levels of customer satisfaction”. As we can see, this paradigm perfectly suits the case company. According to the results received from the Question 7-9, the average level of service quality is not less than 4 points. Thus, these results also obeys the theory that “perceived service quality is a component of customer satisfaction” (Zeithaml et al., 2006, p. 106-107). Moreover, customer satisfaction was described as the difference between predicted and perceives service (Lewis 1993, p. 4-12).

8.2 Conclusion

It is a very beginning of the meal kit delivery service industry development. As Russia constantly follows overseas fashion, customers need some time to get used to new services, like in our case, meal kit delivery. Families and couples are more likely to go to the grocery shops as the price is lower there and it is the more traditional way. We could say that this industry is young, and nobody knows its' future adaptation in the Russian market. Nowadays there are both

inter-brand competition and general competition, presented in Picture 2.



Picture 2. Levels of competition

Firms that offer the slightly different range of same basic product or service is situated in the middle of the circle. Companies develop their brands for their products in order to differentiate them from other entities in the same meal kit delivery industry. The second layer is a product category, the specific generic to which a good or service belongs. In our case, the product category competition of Partiya Edi will be Growfood, best known for its delivery services of prepared sporty meals for the week. The third layer, generic competitors - products which are all different in type but are capable of satisfying the same basic wants of the perspective purchaser. Such companies as the Delivery club, 2 Berega and Dostoevsky deliver prepared meals straight from the restaurant and cooked by themselves. Grocery shops, restaurants, fast food are typical examples of possible expenditures made by potential and recent Partiya edit customers.

It can be said that the biggest competitor of the young industry is grocery shops and restaurants. It comes from the fact that exactly in the grocery shops customers could find fresh and chilled ingredients when restaurants suggest special meals. Partiya edi unites these benefits and solves concrete customer's problems with planning and shopping by adding value- meal preparation becomes magnificent since the customer opens the box. Consequently, there are two main findings: customers need time to understand the service benefits. For the company, it is necessary to improve the work of mobile and computer platforms. In the nearest future, the company is planning to launch a mobile application, which will absolutely develop the communication between the customer and the organisation. The second conclusion is that the company does not differentiate its products. This conclusion is built upon the author's observation. Customers see only the price and some overall differences in the menu type.

According to the results, overall satisfaction is high that means customers are motivated to play a role in the future case company development. Thus, if there is a portion of happy customers, the company is motivated as well to change for better. However, the company has to search for unhappy as shown in the Customer complaint Iceberg in order to avoid negative word of mouth.

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Appendices

Appendix 1 Partiya Edi: Online Survey

Dear respondents, we always strive to develop our service and become better for you. However, in order to find possible shortcomings and fix them, it is important for us to know your opinion and your assessment of the Partiya Edi service quality.

Give us 5 minutes of your time, passing the test, and we will make your life tastier and more convenient!

Please, fill in the survey until the 14 of April 2017.

Thanks in advance for your participation! Your feedback is very important for us!

Section 1: Questions 1-6 relate to your background.

Q.1: Please write your city.

Q.2: Please indicate your gender.

1. Male
2. Female

Q.3: Please indicate your age range

1. Under 20
2. 21-30
3. 31-40
4. 41-50

- 5. Over 50
- Q. 4: How long have you been a customer of our company?
- 1. Less than a month
 - 2. 1-3 months
 - 3. 4-6 months
 - 4. 6-12 months
 - 5. 1-2 years
 - 6. More than 2 years
- Q.5: Please indicate your family status
- 1. Married with children
 - 2. Married: no children
 - 3. Not married: with children
 - 4. Not married: no children
 - 5. Another
- Q.6: How did you find out about Partiya Edi?(several options for answer)
- 1. Recommendation of friends / acquaintances
 - 2. Advertising in social networks
 - 3. Bloggers' reviews
 - 4. Online publication about the company in the social networks of friends / acquaintances
 - 5. Read in the media
 - 6. Offline advertising (in the elevator, leaflets, etc.)
 - 7. Special events (company's tastings for customers, food festivals, etc.)
 - 8. Respondent's answer

Section 2: The following set of questions relate to your feelings about Partiya Edi company. Questions 11-17: Rate 5 if you strongly agree with the statement, and rate 1 if you strongly disagree. There are no correct answers, simply indicate your feelings according to your perceptions about the company.

Q.7	Evaluate, please, Partiya Edi service quality.	1	2	3	4	5
T1	The company has a visually pleasing design of the box and its components (packages, recipes).					
T2	The box includes fresh, chilled and packed by days of the week products.					
T3	The box includes an interesting menu with clear step-by-step actions.					
T4	The company provides a large selection of recipes for all tastes.					
T5	Computer and mobile versions of the site work correctly (when ordering, entering a promocode).					
T6	In the end, you get delicious and high in quality dish.					

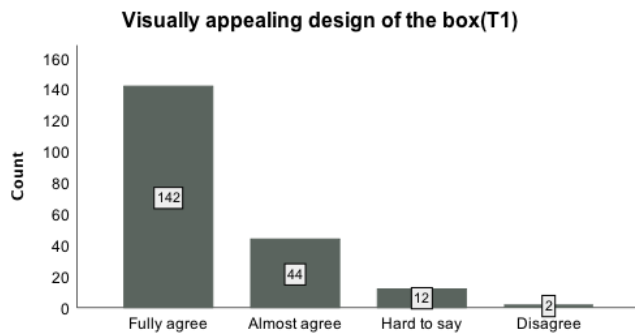
Q.8	Rate, please, the quality of the Customer Care service managers.	1	2	3	4	5
M1	Managers communicate with you in a friendly and confident manner.					
M2	Managers answer to all your questions					
M3	Managers understand the customer needs.					
M4	Managers represent a special attitude to each individual client, the desire to understand his individual needs and desire to satisfy them.					

Q.9	Rate, please, the quality of the courier work.	1	2	3	4	5
C1	Company provides services accurately and on time.					
C2	If you have problems, the couriers sincerely try to solve them.					
C3	Couriers avoid mistakes and inaccuracies in their operations.					

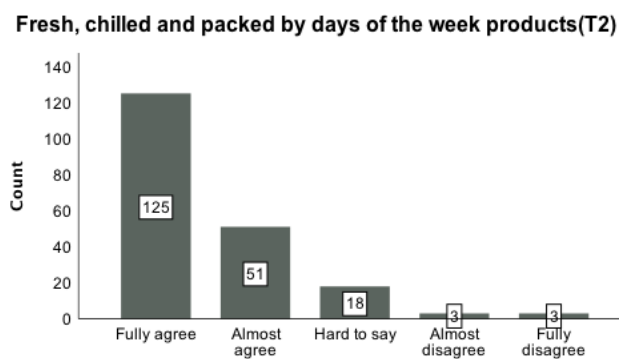
Q.10: Overall, how satisfied or dissatisfied are you with our company?

1	Very dissatisfied
2	Somewhat dissatisfied
3	Neither satisfied nor dissatisfied
4	Somewhat satisfied
5	Very satisfied

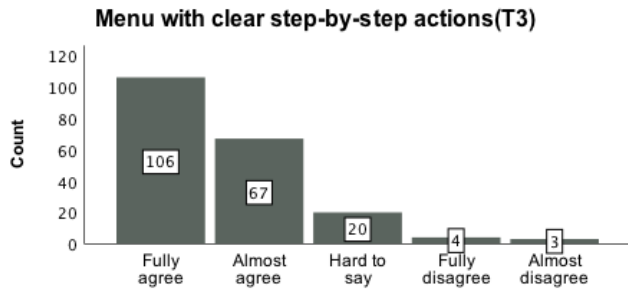
Appendix 2 Variables presentation



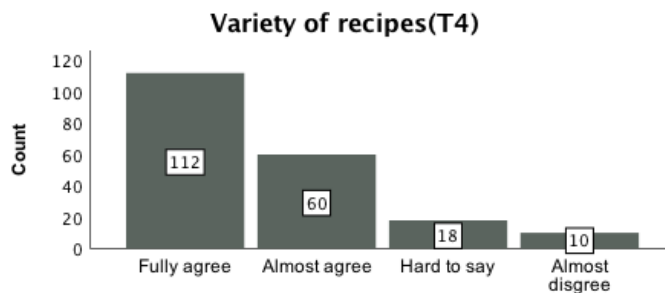
Barchart 1. The company has a visually pleasing design of the box and its components (packages, recipes)



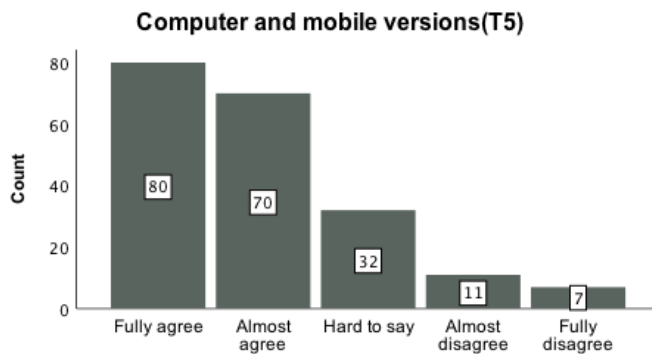
Barchart 2. The box includes fresh, chilled and packed by days of the week products



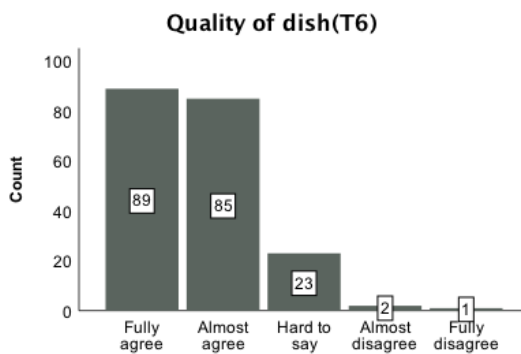
Barchart 3. The box includes an interesting menu with clear step-by-step actions



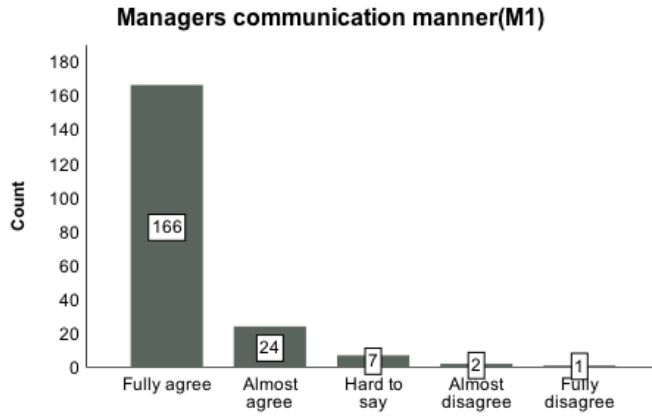
Barchart 4. The company provides a large selection of recipes for all tastes



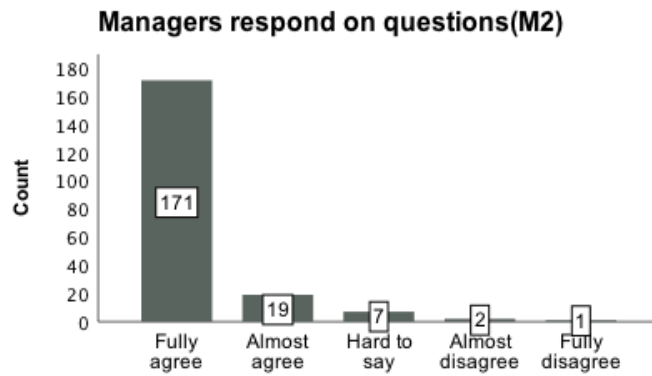
Barchart 5. Computer and mobile versions of the site work correctly (when ordering, entering a promocode)



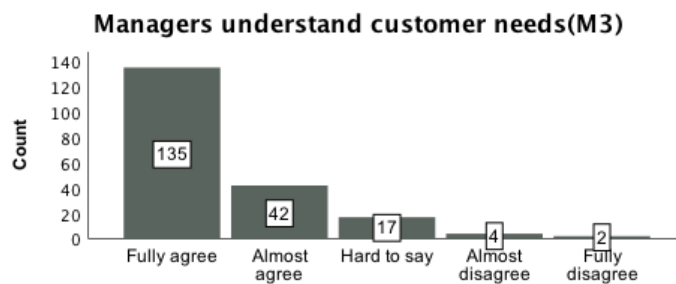
Barchart 6. In the end, you get delicious and high in quality dish



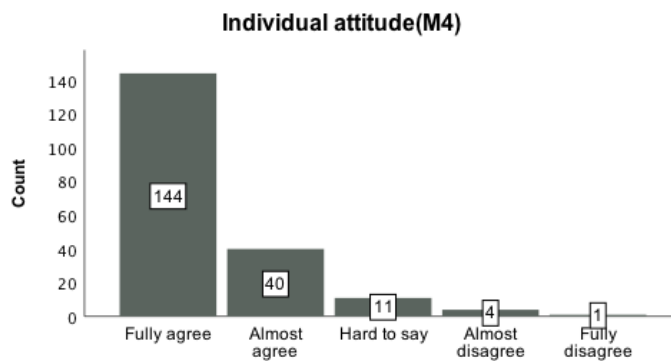
Barchart 7. Managers communicate with you in a friendly and confident manner



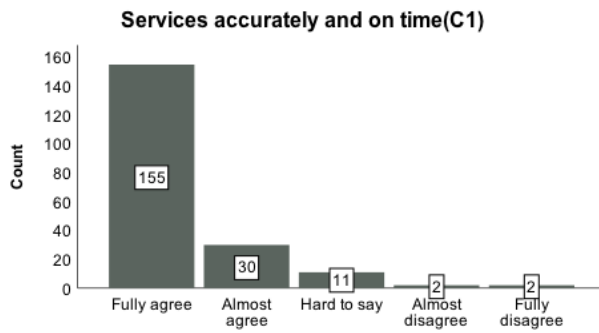
Barchart 8. Managers answer to all your questions



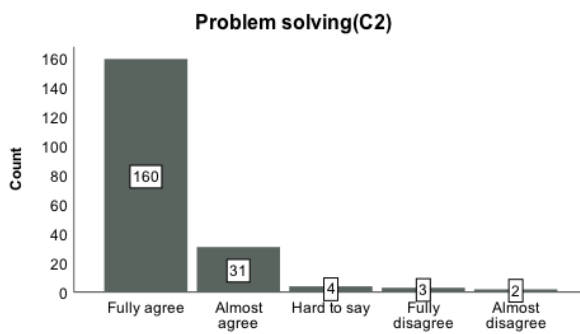
Barchart 9. Managers understand the customer needs



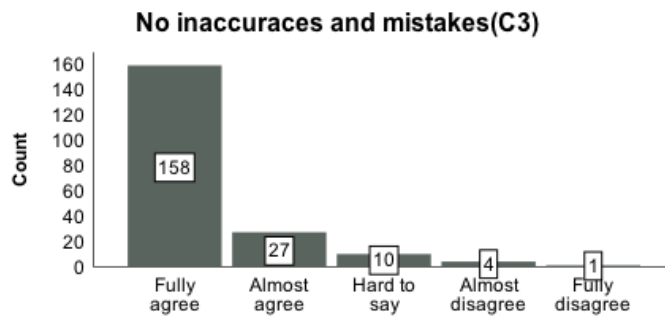
Barchart 10. Individual attitude



Barchart 11. Services accurately and on time



Barchart 12. Problem solving



Barchart 13. No inaccuracies and mistakes