

**A critical appraisal of the customer service and service quality in
appliance sales departments in prominent South African retail
stores**

by

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PhD Consumer Science (Interior merchandise management)**

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Declaration

I declare that the thesis that I hereby submit for the degree PhD Consumer Science (Interior Merchandise Management) at the University of Pretoria, is my own work and has not previously been submitted by me for a degree at this or any other tertiary institution.

Alida J Gothan

Synopsis

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This research investigated the service offering in appliance sales departments of prominent retail stores in an emerging economy to ultimately indicate whether stores' customer service, i.e. their presentation of the marketing mix is conducive for informed, responsible buying decisions. The study was prompted by significant changes in the profile of South African consumers since 1994 when a new socio-political dispensation was introduced. A sharp increase in the middle-income group since has resulted in an increased demand for housing, electricity and consequently also major household appliances. Retail responded more than willingly. Unfortunately the consequences of limited product related consumer socialization for millions of previously disadvantaged consumers and subsequent lack of structural and transactional knowledge in terms of their ability to cope in the market place was given little attention.

The research involved four phases of data collection and the participation of five prominent department stores in Tshwane, RSA that was arranged through liaison with industry. Phase 1 involved an in store survey: store managers assessed the customer service in the stores in the presence of the researcher, according to indicators that

were based on the marketing mix. In phase 2, respondents (n=296) were recruited in the stores immediately after closure of a sales deal: questionnaires were completed on the spot. It involved (1) an investigation of their satisfaction with the customer service; (2) an investigation of their perception of the service quality through a SERVQUAL scale and (3) a product knowledge test that pertained to the functional and performance attributes of the appliances that they purchased. During phase 3, experienced salespeople (n=18) were involved in a projective technique that expected of them to act as the managers of their respective stores and to propose recommendations to augment their stores' service offering to be more conducive for informed, responsible buying decisions. Finally, in phase 4, representatives from industry explained their potential contribution to augment customer service in retail stores.

Findings revealed shortcomings in the customer service in retail that should be addressed to enhance informed, responsible buying decisions. In phase 1, store managers candidly admitted that in general, price was attended to more attentively than elements such as processes that could enhance informed buying decisions. In the customer survey, exploratory factor analysis revealed a collapse of the original customer service scale from six elements to three, which suggests a more integrated judgement of customer service in the context of this research. Emphasis on price and product was diminished and directed towards value for money and personnel orientations. Similarly the five dimensional SERVQUAL scale was reduced to two dimensions (Supportiveness and Impressiveness). The product knowledge test was used to indicate whether consumers' judgement of the service offering was supported by evidence of informed, buying decisions. Consumers' scores contradicted their apparent satisfaction with customer service and their positive perception of service quality. Sales personnel unequivocally accentuated their potential to augment customer service but revealed conditions that limit optimal performance. Representatives of industry acknowledged areas of concern and recommended concerted effort by retailers due to their direct interaction with consumers as well as personnel.



The findings of this study provide invaluable evidence that consumers “not necessarily know what they do not know”. Shortcomings in the customer service in retail are revealed and guidelines are provided to augment the service offering to the benefit of the parties involved.



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Chapter 1

THE RESEARCH IN PERSPECTIVE

This chapter provides the background and justification for the study. It introduces the research problem as well as important and relevant concepts that were used to guide the study.

1.1 INTRODUCTION AND JUSTIFICATION FOR THE RESEARCH

Dramatic socio-political changes in South Africa over the last decade have resulted in major changes in the life styles and living conditions of millions of previously disadvantaged citizens. A sharp increase in black consumers in the middle-income group is the result of increased educational status, better job opportunities and higher earnings since the introduction of a new socio-political dispensation in 1994 (Black middle class on the rise, 2004; Perspektief 1; Wortley & Tshwaedi, 2002:9). This has changed the profile of the average South African consumer who drives the economy. Retailers consequently have to deal with challenges in terms of the provision of consumer goods and services that will satisfy the needs of emergent consumer groups. A sustained increase in GDP growth (Du Plessis & Rousseau, 2003:49) and employment opportunities in South Africa has resulted in an increased demand for certain consumer goods, particularly the more expensive commodities such as electrical goods and household appliances.

Global influences also enable exposure to sophisticated products that compare favourably with those found in affluent countries elsewhere in the world. A key concern, however, is that despite the improvement in the living conditions of millions of South Africans, limited product-related consumer socialisation and inadequate product knowledge and experience unequivocally restrict consumers' ability to make informed buying decisions,

especially regarding the expensive, complex, durable commodities they are confronted with in retail (Erasmus, Makgopa & Kachale, 2005:10).

Consumers with limited product-related experience do not have the knowledge (Malhotra, Ulgado, Agarwal, & Baalbaki, 1994: 97;) to handle sophisticated technology in terms of the design of modern household appliances correctly or to its full capacity (Erasmus et al., 2005:97; John, 1999:6). Rapid changes and developments in new appliances exacerbate matters further (Wingo, 1996:176). In addition, consumers are not necessarily properly informed and educated on the use of these appliances owing to inadequate assistance by sales people, a lack of guiding information in stores and the consumers' apparent hesitance to trust sales people (Erasmus *et al.*, 2005:99; Gothan & Erasmus, 2003:10). Consumers therefore need to be assisted to make informed, responsible buying decisions when selecting major electrical household appliances, and the in-store environment seems to provide a logical opportunity for this assistance.

1.2 A FOCUS ON CUSTOMER SERVICE IN RESEARCH

The abundance of research that has been published in various accredited journals over the past two decades on the topic of customer service (CS) and related topics, such as the influence of price, product quality, the performance of salespeople and the like on buyer behaviour, bears evidence of their significance in retail and marketing. These publications however, largely reflect scenarios in First World circumstances and often only emphasise a particular aspect of customer service, for example price.

A scrutiny of articles that have been published on customer service in prominent accredited journals since 2000 confirms the neglect of attention to culture as an influencing factor on customer service while references to *augmented customer service* and its relevance in terms of informed, responsible buyer decisions, especially in emerging countries, are insignificant. Reports on such endeavours with regard to the sales of household appliances that represent a category of complex, durable and expensive merchandise are

equally limited. A key concern is that there is limited empirical evidence for any efforts being made in retail to counteract and/or facilitate global influences that have enabled the proud presentation of sophisticated merchandise to all corners of the globe – especially to consumers who regrettably do not necessarily possess the relevant knowledge or experience to handle buying decisions, especially those concerning these sophisticated appliances (Erasmus *et al.*, 2005:98).

1.3 CUSTOMER SERVICE AND SERVICE QUALITY IN DEVELOPING COUNTRIES

1.3.1 Introduction

From a global marketing viewpoint consumers' needs can be satisfied in different ways, depending on or because of the differences in culture, tradition or way of managing business (Korey, 1995:75, 76; Malhotra *et al.*, 1994:7; Nilsson, 2007:367). When offering a service to customers, a company should therefore refrain from adopting a standardised marketing approach and rather focus on multilateral strategies, taking into consideration the five different perspectives (technical, organizational, personal, international and cultural) that influence this service offering. In today's complex retail world the provision of customer service, based on European and American principles, is no longer enough. It has to be augmented to address consumer differences. The relationship between the concepts of the globally accepted service offering to consumers, the quality of the actual service delivery and the benefits thereof has to be clarified (Grönroos, 1988:12).

Significant differences have been reported between the practical implementation of the dimensions of service quality between developed and developing countries, as a result of environmental and cultural differences. In developed countries the focus is on service reliability based on consistency, dependability and accuracy. Developing countries, however, are generally of lower financial and technological affluence, and therefore the human touch in service quality is considered more important. Henry and Caldwell (2006:1031), in their discussion of powerlessness as a constant in everyday life, explain that the

prolonged stigmatisation of being non-confident may cause semi-literate consumers to limit themselves to familiar products rather than to explore other attractive consumption opportunities.

1.3.2 Retail-related problems

In a world that has become technologically advanced, globally inspired and highly competitive, the consumer often depends on the in-store environment and especially the salesperson to make a sensible and satisfying product decision. Ironically, South African consumers function in a context where market activities are subject to pertinent limitations. A key concern is that, despite the improvement in the living conditions of South African consumers since 1994, limited product-related consumer socialisation, as well as inadequate product knowledge and experience, and under trained or incompetent salespeople (Erasmus *et al.*, 2005:98), unequivocally restrict consumers' ability to make informed buying decisions, especially with regard to the expensive, complex, durable commodities they are confronted with in retail. Customers thus become highly dependant on the assistance of sales people. Customers associate the salespeople with the store itself: the service provided by salespeople will thus determine customers' opinion about the store (Anderson & Zemke, 1991:4, Blem, 1995:33; Gothan & Erasmus, 2003:2).

Facilitation refers to the use of a range of skills and methods to support consumers when making buying decisions in the often-bewildering world of technology and change (Townsend & Gebhardt, 1988:3). During the facilitation process information should be provided with sensitivity, acknowledging personal preferences and emotional issues such as the importance of portraying specific psychological, social and cultural needs and wants (Erasmus, 1998:150). Rude, uncaring or incompetent sales people lead to dissatisfied consumers who are likely to switch to other service providers (Naylor & Frank, 2000:311).

1.3.3 Challenges for salespeople in developing countries

Consumers in developing countries have lower service quality expectations and are therefore more tolerant of ineffective services compared with consumers in developed countries (Malhotra *et al.*, 1994:1–5). In South Africa, major department stores such as Game, Dions, Makro, Furniture City and Hirsh's Homes are patronised by many consumers in the middle and lower income groups. These stores thus deal with Third World elements, as well as the sophisticated characteristics of a First World environment. This poses many challenges for retail in terms of their service delivery.

Seth (2006:84) also argues that service modelling in the context of the supply chain has not yet been adequately addressed (Internet: Dion, 2006; Makro, 2006). Ultimately an improved understanding of customer service in terms of an augmented service offering would address the seemingly paradoxical situation in South Africa where the provision of appliances in retail and consumers' ability to select major household appliances for personal use are incongruent (Erasmus *et al.*, 2005:100). It is suggested that, in developing countries, emphasis should be placed on staff and their interaction with customers. Salespeople may represent different cultures and store management should therefore take advantage of their own authority and implement activities that are acceptable to all (Hofstede, 1984:264).

1.3.4 Augmented customer service in developing countries

Inexperienced consumers in a developing country need a store that augments CS in terms of certain crucial elements to enable them to make informed responsible buying decisions (Erasmus *et al.*, 2005:89). Customer satisfaction is generally considered the ultimate in any customer service offering (Rust, Danaher, Varki, 1995:59). The quality of the service as perceived by customers is related, although not necessarily equivalent to, satisfaction (Parasuraman, Zeithaml, & Berry, 1988:15). Consumer satisfaction may be clouded by limited and unrealistic consumer expectations, and service providers ultimately have to decide whether they want customers that are satisfied with the service, or whether they should deliver the maximum level of perceived service quality (Spreng & Mackoy, 1996:201). Unfortunately, because of limited product

knowledge, inexperience and probably ignorance, customer satisfaction does not necessarily reflect informed responsible buying behaviour.

The elements of CS in retail provide the structure for improving service quality (SQ) that will fill or even close these gaps (Gummesson, 1988:4). Any attempt to evaluate CS in department stores and to augment the CS to improve SQ in terms of those elements of the CS offering that would enhance informed responsible buyer behaviour, would have long-term benefits for consumers, retail and the industry, would reduce complaints and exchanges, and would extend the service life of appliances and fully utilise all the features of those appliances (East, 1993:19–21).

1.4 A UNIQUE SOUTH AFRICAN CONSUMER MARKET

1.4.1 South Africa as an emerging economy

Compared with their European and American counterparts, South African consumers are unique: the South African consumer market is diverse; the country acknowledges eleven official languages, and consumers represent a broad socioeconomic spectrum from the extremely poor to very affluent and sophisticated consumer groups. Retail, especially major department stores have to provide for the needs of a diverse population (Executive Briefing: South Africa 35–40).

South Africa is by far the largest economy on the African continent. The economy is two-tiered: one that rivals other developed countries and another prominent segment with limited resources and only the most basic infrastructure. The formal sector, based on mining, manufacturing services and agriculture, is well developed and stands in sharp contrast to the informal sector. As part of the formal sector, approximately 90% of the South African population resides in areas surrounding the big cities, which represent the country's major areas of economic activity and consumer markets (Welcome to the South Africa Biz Guide:1). In recent years, many programmes have been implemented to introduce low cost housing, electricity and water to previously

disadvantaged households. With these amenities has come an inevitable increase in the demand for household electrical appliances, which are regarded by many as necessities and not luxuries (Domestic electrical appliances, 2008:1; Weiss & Gross, 1995:1).

Research commissioned by the *Financial Mail* and studies conducted by UNISA's Bureau for Market Research show that a large percentage of South Africans have become middle-income earners since 1994 (the start of the new political dispensation) as a result of increased educational status, better job opportunities and higher earnings (Black middle class on the rise, 2004:1). According to the South African Advertising Research Foundation (SAARF), 1.4 million South African adults have migrated from poverty into LSM 5 since 1998, while 1.6 million have moved into LSM 6, most of them young women (Living Standards Measure: 1; Young women rise from poverty, 2005:2).

The LSM 5 and 6 groups have been the fastest growing groups in SA, and consist of semi-skilled workers, shop cashiers, security guards, junior police officers and students with a high school education and a monthly income of R2 500 to R4 000 (Young women rise from poverty, 2005:1). This has been described as the country's biggest economic wave yet, and it has consequently resulted in an increase in black spending power (Black middle class on the rise, 2004; Wortley & Tshwaedi, 2002:9). The buying power and living conditions of many previously disadvantaged consumers have thus changed dramatically in a relatively short period while their product-related experience does not necessarily support their activity in the marketplace. What is not certain though, is how retail has adapted in terms of its customer service to accommodate this new customer profile and whether any effort has been made to counteract shortcomings in CS in favour of an improved service offering.

1.4.2 Problems faced by South African consumers

1.4.2.1 Culture differences

Culture provides a framework for social interaction in a society and has different effects on buyer perceptions and the behaviour of consumers (Winsted, 1997:337). Culture is to humans collectively what personality is to an individual. In developed countries non-personal contact and respect for a person's privacy and rights may for example be more significant, while in developing countries personal contact and social norms may be more important (Hofstede, 1984:23). Providing detailed and complex information that is geared specifically to individuals may be a more effective way of communicating in developed settings, while providing more basic, generic information may work better in developing areas. In emerging markets the focus will probably be more on company tradition and the physical safety of the customer (Malhotra *et al.*, 1994:1-8). Because of evidence that culture affects the product information that is required by consumers, institutions that serve a mixed market, such as in South Africa, should acknowledge the needs of vulnerable groups in order to enhance the level of their service offerings.

1.4.2.2 Limited product knowledge

Owing to limited product-related consumer socialisation, emerging consumers in South Africa still lack the product knowledge needed to make a responsible buyer decision (Erasmus *et al.*, 2005:90). In 1994, only 14% of South Africans had a matric and 8% a post-matric education. By 2004, 25% had earned their matric and 9% education beyond matric (Young women rise from poverty, 2005:2). Although this indicates a rise of functional literacy in the population, i.e. the rudimentary skills in language and arithmetic that are required in a typical retail environment (Schiffman and Kanuk, 2007:541) the average consumer still needs to be helped to comprehend the consequences when buying complex products such as household appliances.

Research published in 2005 by Makgoba and Kachale concludes that inexperienced consumers in South Africa do not have adequate knowledge of

the functional and performance attributes of appliances to support informed responsible buyer decisions. However, it was also clear that even consumers with a lifelong experience of electricity and appliance ownership had insufficient knowledge to conclude informed buying decisions, which resulted in them relying on secondary indicators of quality like brand names and store image (Erasmus *et al.*, 2005:99; Williams, 2002:251).

This coincides with a report by Dawar and Parker (1994:82), which states that certain purchase criteria are of universal importance to all consumers, irrespective of their country, culture or social status. Brand name has been identified as the most important indicator of quality, followed by price and the reputation of the store. It seems as if changes in technology leave most customers confused and restrict their ability to make responsible informed decisions (Wingo, 1996:176). Although inexperienced consumers need special assistance, experienced consumers can also benefit from it.

1.4.2.3 Limited product-related consumer socialisation

When purchasing major household appliances, lack of experience may be even more significant than lack of product knowledge. Consumers with limited product-related knowledge and experience might, for instance, rely on cues such as store image, salespeople, friends and colleagues, advertisements and warranties to determine quality (Erasmus *et al.*, 2005:99). Brand recognition apparently plays a major role in influencing consumers, although differences in the organisation of brand information in the memory between more informed and less informed consumers affect the brands that are chosen. When encoding, less informed consumers tend to absorb only the brand information that is appropriate for using the appliance and do not organise brands by subcategory in the memory. They consequently tend to retrieve the same set of brands regardless of the usage situation when evaluating alternatives. More informed consumers, on the other hand, assimilate brand information that is appropriate for different usage situations and organise this information by product subcategories. This allows them to retrieve the brands that are appropriate for the usage situation and to vary the set of retrieved brands as the usage situation changes (Cowley & Mitchell, 2003:443).

Cognitive and social development during childhood provides a backdrop for children's development of consumer knowledge and decision-making skills. Consumer socialisation is a developmental process that proceeds through a series of stages as children mature into adult consumers. Because children in developing countries are seldom exposed to the transactions and activities of the marketplace from an early age, they do not gain transactional knowledge. Transactional knowledge is achieved when children are exposed to stimuli and experiences that they interpret in order to understand marketplace transactions. This includes knowledge of stores, products and brands, shopping scripts as well as shopping skills and pricing. Children's brand awareness increases as they grow older: adult-orientated product categories then become more salient or more relevant (John, 1996:11).

Adult consumers in developing countries may therefore lack the customer socialisation by which they would have acquired the skills, knowledge and attitudes that would enable them to function as consumers in the marketplace. The information-processing theories of child development focus on the development of children's skills in the areas of acquisition, encoding, organisation and retrieval of information. Social development entails forming a social perspective related to purchase influence and negotiation skills. Impression formation involves the ability to make social comparisons, and is strongly related to understanding the social aspects of products and consumption (John, 1999:4-6). Consumer socialisation is therefore supposed to help a child grow into a mature customer who can make responsible buyer decisions, such as those pertaining to known appliances (John, 1999:6; McGregor, 2001:1).

In the RSA, where many consumers (adults) have not had exposure to or experience with certain commodities during their childhood years, the changes in living conditions and lifestyles since 1994 have left them dismayed.

1.4.2.4 Difficulties encountered during the decision-making process

Informed responsible consumer decision making refers to a situation where a consumer has the product knowledge needed to make a responsible buying decision that is having the relevant product knowledge and understanding the consequences of the choice they make. Informed, responsible buying decisions not only contribute to consumer satisfaction and limit problems during the use of appliances; they also reduce negative interactions with retailers and service providers (Erasmus & Donoghue, 1998:35).

Informed, responsible buying decisions become increasingly important when buying expensive and durable household appliances. This is a time when consumers should consider various criteria for evaluating product alternatives (Engel *et al.*, 1995:25; Du Plessis & Rousseau, 2003:94), for example, benefits that are considered utilitarian, that is, objective, economic, rational and functional or hedonic (abstract) and benefits arising from experiential, abstract, subjective, emotional, symbolic, sensory, non-rational and aesthetic attributes (Buttle, 2004:26; Sarin *et al.*, 2003:71; Sweeney *et al.*, 1999:81).

Research indicates that the relative importance of evaluative criteria may vary according to the purchase situation, the nature of the alternatives evaluated, the involvement level and the amount of purchase experience (Schiffman & Kanuk, 2004:520-523). Despite the importance of functional and performance attributes, it has been reported that the most important values of consumers' utility for consumer durable goods are social values, stimulation and materialism (East, 1993:19-21; Erdem *et al.*, 1999: 138; Charon 1979:23, La Rossa & Reitzes, 1993:138). Previously disadvantaged consumers and those living in developing countries may therefore, in their eagerness to improve their lifestyles, focus on image-building factors during product evaluation, rather than factors that would ensure hassle-free product use (Erasmus *et al.*, 2005:93). Such consumers may therefore rely on status factors e.g. brand names and price as heuristics during product evaluation, as these are seen as primary indicators of personal substance (Hunt *et al.*, 1996:65; Malhotra *et al.*, 1994:6), and not necessarily consider the consequences of the purchase.

Makgopa and Kachale (2005:100), in their research on the product choice of RSA consumers, found that inexperienced consumers have the need, ambition and often also the financial ability to acquire major household appliances, but they often lack the ability to handle the various types of risk (e.g. functional, financial, performance, social and safety risks) involved, which limits their potential to make informed responsible buying decisions (Erasmus *et al.*, 2005:100). Too much information may unfortunately confuse and bewilder inexperienced consumers, so that they shut everything out (Erasmus, 2002:26). It is therefore crucial to identify the type of information that should be provided. Choice overload can also make it difficult and even impossible for a consumer to make an informed, reliable decision, even when certain brands are screened out using non-compensatory strategies to reduce the number of brands and the information to be processed to a manageable amount (Asseal, 1992:182, 183; Nelson, 2002:190; Wingo, 1996:176).

1.5 THE SIGNIFICANCE OF THE ACQUISITION OF HOUSEHOLD APPLIANCES

Against a background of a sustained increase in GDP growth (Du Plessis & Rousseau, 2003:49) and employment, demand for consumer goods edges upwards, particularly for more expensive retail goods such as major household appliances. The buying habits of the upcoming LSM 5 and 6 groups characterise those of the middle classes, including the ownership of household appliances. In 1994 only 48% of South Africans owned a fridge; by 2004 this had risen to 66%. Microwave oven ownership increased from 18% to 32% and stoves from 41% to 51% in the same period (Young women rise from poverty, 2005:2). Indications are that the upper end of the market is opening up for more contemporary designs and appliances (silver, grey and stainless steel), although there is still a strong demand for white appliances, free-standing cookers and twin-tub washing machines that are more affordable (Young women rise from poverty, 2005:2). Researchers argue that self-fulfilment, acceptance and status are pertinent in terms of a household's decision to acquire most household appliances (Black spending power on the up, 2004:1).

The local white-goods industry in South Africa is, however, predominantly import-orientated. According to the US Foreign Commercial Service, refrigeration equipment worth US \$630m was imported in 2001, an increase of 19.7% on the previous year. In 2002, refrigeration equipment worth US \$150m was imported. Defy Appliances (SA), Whirlpool (US) and LG Electronics (South Korea) dominate the white goods market. Samsung (South Korea) and Carrier (US) are other leading players (Executive Briefing: South Africa: 35-40). Foreign products, especially from the Far East, have gained value-share over local suppliers, owing to highly competitive prices as domestic production finds it hard to compete with production costs. International companies also have the wealth to put more capital into research, product development and advertising, whereas local companies strongly rely on brand names (Domestic electrical appliances, 2008:2). Global influences thus enable exposure to product ranges and brands that compare favourably with those of affluent countries elsewhere in the world (Lin *et al.*, 2000:1).

The wide variety of high-technological appliances that is available on the market today may cause confusion, even for experienced consumers. Appliances are designed to embrace new concepts, configurations, materials and manufacturing methods, and are therefore constantly changing (Wingo, 1996:176), which explains why proper consumer facilitation in retail stores is crucial, irrespective of consumers' socio economic – or educational status and their functional literacy.

Product knowledge that is required to evaluate product alternatives at the point of purchase would inevitably entail at least some knowledge of the basic functional and performance attributes of an appliance, a realistic service-life expectancy, as well as an awareness of personal responsibilities, such as correct installation, correct use and maintenance procedures, and adhering to the stipulations of the guarantee and after sales service. The decision-making process therefore becomes a very complex process (Cronin *et al.*, 2000:210; Engel *et al.*, 1986:234; Erasmus, 1998:149; Erasmus *et al.*, 2005:90).

Salespeople cannot assume that more experienced customers are more familiar with new appliances or that they know how to discriminate between

products, because consumers often base product decisions on emotional factors or react impulsively out of ignorance or information overload (Blem, 1995:30; Collins, 1987:9). The acquisition of major household appliances – in terms of the importance of the purchase, the consequences and impact of purchase decisions in the short and the long term – is thus described as a high-risk buyer decision, which may create a considerable amount of confusion and tension, even more so for the inexperienced or insufficiently informed consumers (Beatty *et al.*, 1996:224; Buttle, 2004:15-26).

Retailers consequently have to deal with challenges in terms of the provision of consumer goods and services that will satisfy the needs of emergent consumer groups. A product that is understandable, easy to use and does not break down will probably ensure a happy customer. Products of good quality provide tangible evidence of a company's basic values; they increase sales confidence and reduce the cost of keeping the customer satisfied (Blem, 1995:27).

1.6 RESEARCH PROBLEM

Extant literature mainly follows a marketing-dominated approach on how customer service (CS), service quality (SQ) and customer satisfaction levels relate to relevant relationship-orientated outcomes that will result in store loyalty, positive word-of-mouth communication, return intentions and recommendation of the store. Little has been done to date to evaluate the retail environment in terms of actions, conditions and processes that would enhance consumers' ability to make informed, responsible buying decisions, especially with regard to complex, expensive commodities such as major household appliances. Any effort to augment customer service is not straightforward, however. Customer service in fact represents a complex phenomenon where the interactive contributions of the individual elements of CS are integrated meticulously in terms of a particular CS scenario, such as selling major household appliances in a department store setting. An improved understanding of CS in terms of an augmented customer service offering would address the seemingly paradoxical situation in RSA where the provision of

appliances in retail and the consumers' ability to make informed responsible buying decisions seem incongruent.

1.7 RESEARCH OBJECTIVES

The following research objectives directed the research in terms of the research design and the methodology:

1. To investigate and discuss **consumers' judgement** of the service offering in the appliance departments of selected retail channels in the RSA in terms of (i) tangible evidence of the service offering as well as (ii) their perception of the service quality, i.e. a SERVQUAL judgement to
 - relate consumers' satisfaction with the customer service and their perception of the service quality to specific indicators such as age, product knowledge, interpretation of the ease to conclude the buying decision and product related experience
 - relate consumers' judgement of the service offering to their product knowledge as an indication of their potential to conclude informed, responsible buying decisions.
2. To investigate and describe the service offering in appliance departments in selected retail channels from the point of view of **store management** in terms of
 - *the visual presence* of the various elements of customer service (i.e. product; price; physical environment; personnel; processes; promotions) as defined in literature as elements of the marketing mix
 - *sales personnel's suggestions* for optimal application and presentation of the various elements of CS during a sales encounter.
3. To investigate and describe **industry's view** of their potential contribution towards augmented CS in appliance sales departments in retail stores

and to discuss their potential contribution to ultimately enhance informed responsible buying decisions.

4. To identify shortcomings in the service offering in appliance departments in prominent retail stores in terms of aspects that are neglected or counteract the potential of consumers to conclude informed, responsible buying decisions.
5. To formulate suggestions on how the customer service (CS) in appliance departments in retail stores could be augmented to ultimately enhance the service quality (SQ) beyond positive judgements to a service offering that encourages informed, responsible buying decisions.

A simultaneous investigation of consumers' product knowledge and their perception of service quality will provide invaluable evidence of shortcomings in the service offering that could be addressed to enhance the service offering so that it becomes more conducive for informed, responsible buying decisions.

1.8 PRESENTATION AND STRUCTURE OF THE THESIS

Chapter 1 provides the background and justification for the study. It introduces the research problem as well as a definition and brief discussion of important and relevant concepts that were used to confine the scope of the study.

Chapter 2 introduces the theoretical perspectives, namely the systems approach and the cognitive perspective, which were used to structure and eventually interpret the research process and the ensuing discussions. The theoretical background is presented to indicate and clarify extant research in terms of the context of this research and to support the research approach and consequent discussions. The conceptual framework is presented in terms of a systems approach to distinguish the relevant concepts for the research.

Chapter 3 presents the problem statement, followed by the research objectives, which distinguish three principal areas of investigation, i.e. an investigation of **consumers'** satisfaction with customer service and their

consequent perception of service quality; a judgment of the service offering in retail by **salespeople** who deal with customers on a daily basis and who have first hand experience of the contribution of management and industry in terms of the sales task they have to perform; an overview of **representatives of industry** in terms of their responsibility and contribution to enhance informed, responsible buying decisions. The research strategy and the methodology are presented in the actual order of investigation.

Chapter 4 presents results of the different phases of the research presented in accordance with the objectives of the study. Results are presented in the form of graphs and tables and are interpreted in terms of the objectives of the research.

Chapter 5 presents the discussions of the findings in terms of the objectives that were formulated for the research and provides recommendations on how the customer service in appliance sales departments could be augmented to enhance informed, responsible buying decisions. The context refers to prominent RSA department stores as an example of an emerging economy.

Chapter 6 offers conclusions and recommendations and presents suggestions for further research.



Chapter 2

THEORETICAL PERSPECTIVES AND LITERATURE REVIEW

This chapter introduces the theoretical perspectives, namely the systems approach and the cognitive perspective, which were used to structure and eventually interpret the research process as well as ensuing discussions. The theoretical background and the conceptual framework are presented.

2.1 CHOICE OF THEORETICAL PERSPECTIVES

In this research two distinct theoretical perspectives were implemented to focus on the behaviour and actions of the three main role players in the research situation, namely the industry, store personnel and the consumer, who all see customer service and the standard of service quality represented in the store from their own perspectives, shaped and postulated by their frames of reference. Firstly, systems theory is applied as part of the consumer's decision-making process, as inputs like product standards, social class and resources available will influence their choice of appliances. After the transformation that is embodied by the actual buying transaction that takes place in the store, the output should be a satisfied customer who has made a responsible, informed buying decision. As this is not always the result in the retail of major household appliances, this study aims to identify and compile guidelines for augmented customer service that would aid in the desired output.

The cognitive perspective focuses on mental processes; on information stored about the "self", and the role these processes play in emotions and behaviour. The cognitive perspective is applied when studying the consumer and social cognition. The way people interpret, analyse and use their surroundings influences their attitudes and behaviour towards the world around them.

People use the objects around them as clues to determine their behaviour. One of the cognitive strategies used to understand and interpret the world is the use of schemata where the unknown is compared to a previous experience, making it possible to understand and use the strange object. One of the deficiencies of customer service in retail could be that the industry including the sales personnel assumes that all consumers have schemata that they can use to understand appliances. The inexperienced customer lacks this organised set of information that could guide him towards a specific set of actions to handle the strange situation. The objective of this study is therefore to suggest the support that should be provided by ACS in guiding customers to make informed, responsible decisions.

2.1.1 The systems approach

2.1.1.1 Motivation for following a systems theory approach

The systems approach is an approach that was proposed by Ludwig von Bertalanffy in the 1940s to study complex, natural, artificial and sociopolitical cultural phenomena (Mora, Gelman, Forgionne, Petkov & Cano, 2007:1; Whitchurch & Constantine, 1993:325). It is generally used to describe and explain the behaviour of a complex, but organised and structured, system. Literature clearly defines and describes both customer service (CS) and service quality (SQ) as separate entities that are defined and researched at an integrated level (the wholeness), as well as on a factor (dimensional) level. This is in agreement with the basic assumptions of the systems approach. It was thus decided to formulate the overall objectives and discussions for this research in terms of the basic assumptions of a system.

2.1.1.2 Core assumptions of the systems theory

In any system, the effect of the whole is greater than the sum of its parts:

According to systems theory, systems should be treated on an integrated level or in terms of their components (Alter, 2007:10). CS per se can thus be studied or perceived as the offering of a complete service as well as in terms of the individual elements it comprises. These individual elements form the holistic

offering of CS by the store and through the systems perspective CS as a service offering can be studied in terms of how the individual elements contribute to the integrated service. The same applies to SQ, which is defined as an integrated phenomenon or in terms of its dimensionality. The five dimensions of SQ identified by Parasuraman (*et al.*, 1988:15), namely intangibles, reliability, responsiveness, assurance and empathy, jointly represent the construct. SQ is expected to be and experienced as a complete concept. SQ and CS are therefore perceived by consumers as holistic phenomena, according to the well-known Gestalt concept of wholeness described as "the whole is also greater than its parts" (Whitchurch & Constantine, 1993:328). Wholeness refers to the unitary function and existence of a system in synergy, unpredicted by an evaluation or any subassembly of the parts (O'Connor, 2008:313; Steele, 2003:3; Whitchurch & Constantine, 1993:325).

The parts of a system are interrelated and interdependent:

Systems theory focuses on the arrangement of and relationships between the parts in the system, which form them into a whole (Heylighen & Joslyn, 1992:1). A system may be defined as a set of elements that are interrelated (Alter, 2007:10; Steele, 2003:1; Whitchurch & Constantine, 1993:325). Systems theory thus indicates that CS (as well as SQ) should be analysed and evaluated in terms of the individual elements or dimensions in order to identify potential problems or deficiencies. The interactive effects between the elements can be evaluated to indicate the routes of interaction in the operation of the system as a whole to understand how they affect the system (either CS or SQ) as a whole (Alter, 2007:10). A customer's perception of CS and SQ will thus inevitably be affected by his perception of individual elements or dimensions. The importance of each of the elements or dimensions of CS or SQ can therefore not be discussed or considered in isolation. The behaviour of the components also exhibits mutual influence: what happens in one element/attribute generally affects the other (Alter, 2007:11; Whitchurch & Constantine, 1993:332). Some elements/dimensions, however, may also be regarded to be more crucial by the customer than other role players. If a customer, for instance, disapproves of the physical environment of the store, but finds the cheaper prices highly attractive, he may still patronise the store because price may be regarded as more important. A negative experience with one of the elements

of CS or SQ will not necessarily result in a negative perception of the CS in that store, because the various elements of the service may compensate for one another (Hawkins, Best & Coney, 1992:17).

The interaction of subsystems leads to homeostasis:

In systems theory it is postulated that systems are open to, and interact with, other systems in their environment, and that they can acquire new properties, resulting in continuous evolution (Alter, 2007:8; Heylighen & Joslyn, 1992:1). CS and SQ can both be described as open systems, as the boundaries between the system and the environment allow the flow of matter, energy and information in and out of the system. Elements of CS and dimensions of SQ exhibit multiple interfaces owing to direct or indirect transactions between customers and the store. CS and SQ may, for example, be viewed differently depending on the context, for example, an appliance sales context versus a grocery store (Whitchurch & Constantine, 1993:333).

Any system is discussed in terms of inputs, transformation of inputs and outputs:

When explaining CS or SQ, it is meaningful to identify and describe all the factors (elements) that influence the information about and/or aspects of the internal and the external environment of the store that act as inputs, that is, factors that affect consumers' perception of the service offering. Transformation occurs when the inputs are collectively interpreted in customers' minds (cognitive frameworks) on the basis of prior experience and expectations to result in an outcome, that is, a positive or negative service encounter (Alter, 2007:9). All factors that affect CS or SQ are thus acknowledged as inputs. These inputs are transformed within cognitive frameworks that are pre-established and result in an output, namely, commendable CS (or not) and exceptional SQ or not. The latter depends on a consumer's ability to appraise and interpret the service offering critically.

Every system has a clear goal/purpose:

Purposefulness is a core property of a system, for example, commendable CS and exceptional SQ (Mora *et al.*, 2007:3). The final state of a system should be at equilibrium, where the feedback and control indicate that the inputs were transformed to produce the desired outcome (Alter, 2007:10; Von Bertalanffy,

1968:1). Equilibrium is unequivocally determined by the initial inputs. If the elements of CS and the dimensions of SQ are not perceived in the same way as was intended by the store, equilibrium may still be possible through equifinality. Equifinality occurs when equilibrium is reached from different initial conditions and in different ways, for example, when CS is perceived to be good as a result of very affordable prices, despite poor attention of personnel. In another store CS could be perceived favourably owing to attentive personnel, despite high prices (Von Bertalanffy, 1968:1; Whitchurch & Constantine, 1993:334).

2.1.2 The cognitive perspective

2.1.2.1 Motivation for incorporating the cognitive perspective

The cognitive perspective focuses on mental processes and how information that is stored in memory affect emotions and behaviour. A person's cognitive processes will organise and manipulate any information received by analysing, interpreting, encoding and retrieving it in order to progress towards problem solving and decision making, enabling the person to reach a certain goal (Introduction to cognitive perspectives on personality, 2003:1; The cognitive perspective, 2008:2). In a shopping environment consumers are exposed to lots of information, as well as sensory stimuli. They thus need to cope with, integrate, organise and process this information by means of cognitive monitoring to adjust thoughts and behaviours. These thoughts and behaviours will direct consumers' buying behaviour. A consumer's cognitive thought processes with regards to a buying encounter are developed through consumer socialisation: a consumer develops the relevant schemata and shopping scripts to handle the buying decision (or otherwise) (John, 1999:12). If a consumer has the relevant buying experience it will permit him to handle the buying activity better, as he will be able to process the information and that will guide him towards making a buyer decision (The cognitive perspective, 2008:1). Without the relevant experience a consumer will thus probably not be able to make an informed buyer decision, as there is no precognition that could guide the processing of the information offered through the store's CS offering. Perceived service quality (SQ) will therefore also be clouded because a consumer's expectations will probably be low.

2.1.2.2 Application of the cognitive perspective in the research

Within a systems framework that was discussed earlier on, the cognitive perspective becomes relevant during the transformation stage. When consumers are exposed to stimuli (inputs) they may try to simplify the experience by using cognitive structures and shortcuts based on what they are familiar, that is, by using schemata and stereotyping.

A schema is a cognitive structure that acts as an organisational unit, which influences all the perceptual cognitive activities that are part of the processing of information (Schema theory, 1995:1; Venkatraman & Villarreal, 1984:355). It functions as "slots" that can be filled in by context, or by additional information (Schema theory, 1995:1). For example, a consumer who has used an automatic washing machine in the past, may not become overly confused by the unknown attributes of modern automatic washing machines – these new inputs are screened against existing schemas to fill in missing information based on prior experience and knowledge, especially if they are linked by physical proximity of the two. If an appropriate schema is not found to link new information to, a new schema is created, or existing and related schemas may be transferred to process the new input (Venkatraman & Villarreal, 1984:355-357). If the consumer has never used an automatic washing machine before, schemata need to be formed to accommodate the new input. This becomes a major problem if retail and industry assume that customers have the schemata for understanding their products. This is when and why the role of personnel has to increase in providing optimal CS and SQ. The processing of information involves the perceiving, encoding, storing and retrieving of information, as well as the final concluding of a buyer decision. The consumer enters the buying situation with certain expectations as well as certain cognitive and individual capabilities (Chakravarti, Macinnis & Nakamoto, 1990:910).

2.2 AN EXPLICATION OF CUSTOMER SERVICE WITHIN THE SYSTEMS APPROACH

2.2.1 Introduction

Customer service (CS), as an example of services, is a complex phenomenon that involves a series of activities and processes that are produced and consumed simultaneously, with the service provider and the consumer as participants. Quality control and marketing generally take place during service production and consumption. Services are largely intangible, subjectively experienced processes that have a critical impact on consumers' perception of the service. In developing countries, however, the production and consumption of services, and marketing activities and the perception of quality, are not necessarily comparable or equal to those in developed countries. The CS offering in an emerging economy such as South Africa, with its diverse population, should therefore be investigated and adapted to meet the needs of all consumers, to ultimately encourage informed responsible buyer decisions and to provide new evidence of SQ.

2.2.2 Customer service defined

CS is defined as a combination of the activities/strategies offered by retailers with the intention of providing a rewarding shopping experience in an effort to increase *service quality* and ensure *customer satisfaction* (Ackermann, 2002:5; Howardell, 2003:1; Levy & Weitz, 2001:586; Schwerdtfeger, 2003:1; Woodruf, 1997:139). CS appears to be an assumption of the total outcome of relationships in the interaction between the company and the customer (Blem, 1995:6; Zolkiewski & Lewis, 2004:1).

The complexity of CS can be explained and understood by studying its different but interrelated elements, which, McCarthy suggests, are an expositional device for classifying and discussing the major elements of a company's marketing mix (Bahia & Nantel, 2000:86; Bennett, 1997:151; Buttle, 2004:233; Kotler, 1994:91; Whitchurch & Constantine, 1993:328). Some of these elements (products, price, physical environment, personnel, processes, promotions) are sometimes intentionally manipulated to distinguish the services of one store

from another in order to attract and retain customers: for example by emphasising price more when an increase in sales and profits is more important to a company than the other elements (Rhee & Bell, 2002:225; Rust *et al.*, 1995:59; Woodruff, 1997:140). Apparently, more than 69% of retail customers are not loyal to a specific store, but will buy from different stores as a direct consequence of unsatisfactory CS (Gowan, Seymour & Lackey, 2001:278). Companies that are successful in retaining customers generally are those that make the effort to understand what their customers value and then supply them with it consistently (Graham, 2002:1; Lin *et al.*, 2000:277; Zeithaml, Parasuraman & Berry, 1990:2).

In today's competitive world, the key to sustainable competitive advantage lies in delivering high quality service. CS, SQ and customer satisfaction are closely related and intertwined and represent important aspects of marketing theory and practice (Spreng & Mackoy, 1996:201). This research will approach issues surrounding CS and SQ separately and will attempt to explain this in terms of the content of the research.

Consumers' overall assessment/satisfaction with the utility of the service is based on perceptions of what is offered and what is received (Cronin *et al.*, 2000:204; Gagliano & Hathcote, 1994:61; Zeithaml *et al.*, 1990:32). Bagozzi suggests that cognitive evaluations of a store or service precede emotional responses, for example satisfaction (Cronin *et al.*, 2000:209). From the point of view of the discipline of Consumer Science, consumer satisfaction should evolve around informed and responsible buyer decisions. In the case of complex buyer decisions, consumers typically do not have enough skill, expertise or education to evaluate the service adequately; therefore they will rely more on peripheral cues such as the personal attention they receive from the service provider (Malhotra *et al.*, 1994:5-13; Shemwell, Yavas & Bilgin, 1998:156, 157).

In general, if the customer's expectations have been met, he will be satisfied, as expectations serve as the basis for satisfaction judgements (Buttle, 2004:144-146). Consumer expectations may differ vastly, for example, in some cases material input provides the key to improving customer satisfaction. Maytag, a large manufacturer of washing machines in the United States, for example,

buys raw rubber and manufactures its own seals and gaskets to ensure that these critical components meet its high standards of durability (Blem, 1995:29). In other cases, satisfaction evolves around the actions and assistance of the salesperson in the store. The fulfilment of the first role of a salesperson, namely the collecting of information about the customer's needs and interests, enables the salesperson to perform the second role, that is, managing the relationship. This involves handling the customer's queries and complaints and representing the customer's needs and interests to the company, subsequently ensuring the customer's satisfaction with the product purchased (Buttle, 2004:252, 253; Gothan & Erasmus, 2003:98).

In order to evaluate CS and SQ objectively, and to consider how CS can be improved to ensure a specific outcome, that is, informed, responsible buying behaviour, all the various components/elements of CS have to be evaluated individually to assess the way they collectively influence consumers' experience and satisfaction with CS. From the viewpoint of Consumer Science, this among other things concerns itself with the well-being of consumers. A customer's satisfaction with CS should also be based on whether the service offering contributed to/facilitated a responsible, informed buyer decision. Although an inexperienced customer with limited knowledge of high technological household appliances may perceive and interpret the elements of CS differently to an experienced customer, it is hoped that guidance towards informed, responsible consumer decision making would be to the benefit of all (Whitchurch & Constantine, 1993:334).

2.2.3 The elements of customer service (CS) (Inputs of the system)

For the consumer, CS represents an offering of various individual service elements. The following elements of the marketing mix broadly represent the resources or capabilities of a store. These elements will be addressed according to their contribution to CS in terms of Service Quality (SQ), leading to customer satisfaction, as it unfolds in the purchase of major household electrical appliances. In the conclusive recommendations for optimal CS, namely augmented customer service, the offering of the elements of CS must assist the consumer collectively in not only experiencing satisfaction with the

purchase situation, but also making an informed, responsible buying decision that will benefit all parties involved.

2.2.3.1 Products

Products refer to the merchandise offering (in this instance, major household appliances) of a store and contain all the dimensions that are relevant to a product range, for example quality, variety and availability (Mitchell, 2002:79). In any retail channel the household appliances in stock, in terms of brands and types, coincide with what is regarded as suitable for the relevant market segment. Department stores thus stock a basic product variety that is selected according to the needs of their target market. Specialty stores, on the other hand, may offer more technological advanced and top-of-the range appliances that would once again meet the needs of a more sophisticated target market (Dion, 2006; Makro, 2006; Shoprite Holdings, 2006).

The local white-goods industry in South Africa is, however, predominantly import-orientated. Foreign products, especially from the Far East, have gained value-share over local suppliers owing to highly competitive prices, as domestic production finds it hard to compete with overseas production costs. In addition, international companies have the wherewithal to put more capital into research, product development and advertising, whereas local companies have to rely more on product name (Domestic electrical appliances, 2008:2). Global influences thus enable exposure to product ranges that compare favourably with those of affluent countries elsewhere in the world. Product evaluation is influenced and complicated by the different technical functions of new appliances, as well as by the aesthetic and symbolic value of the product design (Creusen & Schoormans, 1998:551). This makes it exceptionally difficult for inexperienced customers to conclude product decisions.

Stores display and specialise in products, but customers do not buy a product; they buy a solution to a problem. Products should therefore be presented in such a way that the customer is able to evaluate their characteristics and make informed responsible decisions (Blem, 1995:33; Buttle, 2004:233). Guidance by well-trained salespeople, in explaining digital, automotive and

electronic appliances, is therefore essential (Weiss & Gross, 1995:1). Household appliances are generally evaluated in store through a comparison of product characteristics on the spot where appliances can be viewed. The evaluation may include a combination of functional, financial, durability, status and aesthetic factors against a set of parameters that the individual anticipates or expects (Bahia & Nantel, 2000:86; Buttle, 2004:233; Kotler, 1994:91).

2.2.3.2 Price

In an economic perspective, underlying the functioning of many stores, profitability and productivity are the two basic financial objectives of a company, with emphasis on gross margin, profit contribution and net profit (Hawkins *et al.*, 1992:634; Sureshchandar *et al.*, 2002:366). Many stores focus mainly on price to attract customers because profit may be more important to them than, for instance, the personnel or customer satisfaction or a responsible buyer decision (East, 1993:176; Spreng & Mackoy, 1996:202).

Price may be a very important determinant of a consumer's eventual product choice, especially with regards to expensive merchandise such as major household appliances. Price is a concrete measure for indicating affordability, exclusiveness, value for money and even quality for different consumers (Dunne, Lusch & Griffith, 2002:369). Consumers sometimes buy the cheapest product for the sake of affordability or they buy the most expensive product, as they regard the price as a guarantee of quality. The assumption of a price-quality relationship is a very firm, and often justified, market belief (Solomon, Bamossy & Askegaard, 2002:255; Schiffman & Kanuk, 2007:452). A consumer will regard the price as acceptable if the value of the appliance equals or exceeds the value of the money that is spent (Buttle, 2004:237, 238). Expensive products, like household appliances, involve a higher perception of monetary and psychological risk, and therefore they are usually purchased only after an extensive information search (Solomon *et al.*, 2002:246).

Consumer decisions are often manipulated through pricing strategies in a subtle way to close a deal and consumers are generally not equipped to guard against these (Dunne *et al.*, 2002:43; Peter & Olson, 1993:392). Retailers that

offer better CS tend also to be more expensive (Dunne *et al.*, 2002:370). Eventually all financial characteristics that refer to the relative cost and affordability of appliances should be disclosed to ensure informed consumer decisions, that is, the initial purchase price, the cost of repairs and maintenance and running costs. In the case of inexperienced buyers, this information needs to be explained by sales personnel in order to enable a responsible buyer decision (US Department of Energy, 2002:1).

2.2.3.3 Physical environment

Extant research indicates that nonverbal, affective elements of the environment have the capacity to influence a consumer's evaluation of a product (Solomon *et al.*, 2002:273). The store design and layout, lighting and display fixtures, colours and decor, the overall size of the store, temperature and noise levels, smell, music and employee sociability are therefore aimed to improve customers' in-store emotions and to provide pre-purchase information (Bruner, 1990:94). These mood improvements may lead to a host of desired behaviours, including greater willingness to purchase, longer stays and enhanced satisfaction (Dabholkar, Thorpe & Rentz, 1996:4; Mano, 1999:149; Peter & Olson, 1993:395; Soriano & Foxall, 2002:139; Spangenberg, Crowley & Henderson, 1996:67). Mood improvement is therefore an automatic, non-cognitive process, which is believed to influencing consumer preferences unconsciously (Groenland & Schoormans, 1994:184).

Although the elements of the marketing mix have a collective influence on the customer (Whitchurch & Constantine, 1993:328), enhancement of the in-store environment, for example, the display of the appliances, ease of demonstration and space for possible evaluation, will benefit the customer (Dabholkar *et al.*, 1996:4). Constant monitoring of the store's image and adapting it to the target market is therefore required to enhance store loyalty (Bloemer & De Ruyter, 1998:500; Bloemer & Odekerken-Schröder, 2002:69). Any attribute that affects the pleasantness of the surroundings could influence and even determine potential customers' interpretation of the customer service offered (Machleit, Eroglu & Mantel, 2000:29) even though it might have no effect on whether a customer has a better understanding of the appliance he/she intends to

purchase. The physical environment may thus be an important consideration in deciding whether to patronise a store or not.

2.2.3.4 Personnel

Personnel include any person that becomes part of the sales experience encounter, for example salespeople, managers and cashiers. To the customer the salesperson represents the company and will help to shape the customer's opinion about the company. Personal communication and interaction with the salesperson is important to build a relationship that benefits both the salesperson and the consumer, as they may increase consumers' felt involvement with the product and the conscious buying decision (Evans, Kleine, Landry & Crosby, 2000:512; Gothan & Erasmus, 2003:96; Plank & Reid, 1994:43; Reynolds & Beatty, 1999:509; Roberts, Varki & Brodie, 2003:169; Sweeney *et al.*, 1999:77). The significance of frontline employees as boundary spanners between the company and its customers is often recognised in the literature (Gothan & Erasmus, 2003:95; Hughes, 2006:114; Peter & Olson, 1993:357). The salesperson's capacity as consumer facilitator, culminating in his/her skills and knowledge, may be considered invaluable to inexperienced customers in the transformation process, especially in terms of the prevention of cognitive dissonance and the reduction of risk perception (Sarin *et al.*, 2003:71; Sharma, 2001:125; Sweeney *et al.*, 1999:77). It is therefore alarming that South African consumers are apparently hesitant to trust salespeople and that salespeople are not consulted to indicate the quality of appliances (Erasmus *et al.*, 2005:97). Marx and Erasmus (2006:65) state that a noteworthy percentage of participants indicate that assistance and efficiency of both general frontline staff and management in South African retail is unsatisfactory.

Salespeople who realise the importance of proper consumer facilitation may provide the key to informed, responsible buyer decisions, resulting in ACS. The ideal is that salespeople should be seen as competent, trustworthy, friendly, expert, honest, helpful and concerned about satisfying the needs of the consumer (Crie, 2003:69). Customers often build up personal relationships and bonds of trust with employees, instead of the store, especially in a fast-paced world where consumers tend to open up easier and build high levels of trust

more quickly (Beatty *et al.*, 1996:224; Jacobs, Hyman & McQuitty, 2001:48; Seth, 2004:4). Several authors agree that a retailer, through his sales personnel, must first thoroughly understand the customer and his/her needs and then apply this to understanding and serving the customer (Anderson & Zemke, 1991:96; Beatty *et al.*, 1996:223; Blem, 1995:34, 50).

Sales personnel should never assume that customers are familiar with appliances, even if they seem confident. Some buyers fail to buy what they really need out of ignorance (Blem, 1995:30; Erasmus *et al.*, 2005:90), or they may be influenced by secondary indicators, like friends or store image (La Rossa & Reitzes, 1993:136). Therefore personal interaction with personnel in the store may motivate them to attend to and comprehend the information the salesperson shares about the product. The interactive communication situation should, on the other hand, allow salespeople to adapt their sales presentations to fit the informational needs of each potential buyer (Peter & Olson, 1993:395).

In developed markets, the competence of employees is highly regarded and emphasis is placed on individual initiative and achievement (Hofstede, 1984:264). Evidence indicates, however, that frontline employees in South African retail are typically underpaid, under trained, overworked and highly stressed. Salespeople seem to be caught up between the customers' demand for attention, and management's demand for efficiency and productivity (Singh, 2000:15, 16). Economic incentives received, including salary, and recognition and other awards, may influence a salesperson's commitment to the facilitation and offering of CS to consumers (Beatty *et al.*, 1996:229; Gothan & Erasmus, 2003:97; Whitchurch & Constantine, 1993:332). Coping with role ambiguity and role conflict may result in burnout customer relationships that may contribute to lower SQ standards (Singh, 2000:16). In emerging economies the service organisation as a whole often overshadows individual identity. Personnel's skills and initiative are thus often overlooked (Malhotra *et al.*, 1994:1-8). Marriott's motto, "It takes happy employees to make happy customers" should be seen as a fundamental guideline for ACS (Gummesson, 1988:17).

2.2.3.5 Processes

Processes involve the delivering of the service to the customer and enhancing customer-perceived value, with customer satisfaction as an important outcome of the service delivery process (Bendall-Lyon & Powers, 2004:115). This, among other things, involves SQ management, prompt delivery and installation of appliances, availability of credit facilities that include quick purchase approvals and/or special discounts, financial information, such as the discounts available, special offers, terms of payment and availability of credit facilities (Blem, 1995:30; Buttle, 2004: 248; Peter & Olson, 1993:390-395). Processes in fact contribute to hassle-free shopping and peace of mind, and the retailer's intention to prevent and minimise frustration for their customers. Accuracy, completeness and convenience of service delivery are implied. Convenience is becoming increasingly important to customers, especially time-related perceptions (Berry, Seiders & Grewal, 2002:1). Cultural factors can, however, affect consumers' attitudes towards time scarcity, value of time, and sensitivity to time-related issues. Waiting time in queues was for example mentioned as an important reason for dissatisfaction with some retail stores among sophisticated consumers (Marx & Erasmus, 2006:63).

After-sales service is another aspect of the so-called processes. It suggests that complaints must be heard positively and with understanding, be met with fair and appropriate action, reported easily and resolved with speed (Bendall-Lyon & Powers, 2004:115; Blem, 1995:29-33). This often determines customers' perception of stores as empathetic and trustworthy. Marx and Erasmus (2006:65) report that process-related attributes are one of the main contributors to poor CS. In a highly competitive marketplace, processes could very well represent the crucial discriminating factors that distinguish one outlet from another (Buttle, 2004:249).

2.2.3.6 Promotions

Promotions refers to all forms of marketing communication that convey a store's offerings visually, verbally or auditory (Shiffman & Kanuk, 2007:388) with the intention of influencing and attracting customers, or changing their opinions (Peter & Olson, 1993:393). The objective of sales promotions of limited duration

is to persuade a consumer into a hasty purchase (Aggarwal & Vaidyanathan, 2003:394). Promotions do not necessarily enhance responsible decision-making, but rather focus on aspects like social importance, price and environmental considerations. Other factors that are important in consumer acceptance are brand loyalty, warranty, price, aesthetics and after-sales availability (Weiss & Gross, 1995:70).

On the positive side, promotions provide consumers with three utilitarian benefits, namely savings, higher product quality and improved shopping convenience, and the hedonic benefits of intrinsic stimulation, fun and self-esteem (Chandon, Wansink & Laurent, 2000:65). Sometimes promotions accentuate the fact that appliances are seen as symbols, representing social images (La Rossa & Reitzes, 1993:136). Promotions may also accentuate the functional aspects of appliances (more specifically performance characteristics) as well as price (affordability) in an effort to impress/attract potential buyers (Erasmus *et al.*, 2005:93). Emphasis on price reductions may increase sales rapidly, as consumers are easily overwhelmed by special offers and can be motivated by eager sales personnel to buy the product on promotion, without the necessarily consideration of other brands in order to make a responsible decision (East, 1993:176). The objective of management may thus in certain situations be to reach a specific sales volume with little emphasis on SQ.

Although consumers' purchase decisions will be influenced by all the elements of the market mix collectively (Whitchurch & Constantine, 1993:328), promotions may play an important role in directing the inexperienced consumer's decision. In a customer-orientated approach, promotions should be redesigned to change the focus from an economic approach to meeting all customer needs (Blem, 1995:29).

2.2.4 The interactive contribution of the elements of CS to the service offering (Transformation)

The systems perspective (Whitchurch & Constantine, 1993:328) postulates that the CS offered by stores can be explained as a complex organised system of

elements that represents coherently the store's marketing mix to which the customer is exposed. These elements are individually perceived and collectively interpreted against the background of the existing schemata in a consumer's memory, formed by socialisation and through experience over time (Spears & Gregoire, 2004:2). Previous experiences, whether positive or negative, will be stored in the consumer's memory and will influence consequent evaluations of products or stores (Erasmus *et al.*, 2005:91). Where product socialisation and experience are limited, the relevant schemata will be absent and consumers will find it difficult to comprehend existing cues. Whatever the case, consumers will organise cues (elements of CS) in terms of existing schemata and thus prioritise accordingly. According to systems theory the elements of CS will not all be considered of equal importance.

The elements of CS are interrelated and interdependent (Spreng & Mackoy, 1996: 204; Whitchurch & Constantine, 1993:328) and when the interpretation and perception of one element changes, it will also affect the perception of the other elements (Whitchurch & Constantine, 1993:332). The consumer forms a conclusion about the CS offered by the store sometimes on a subliminal level (Schiffman & Kanuk, 2007:172-179), that is, it would be difficult to explain. When one element of CS is negatively or more positively focused on than the others, the perception of CS as a whole will be influenced. The final experience of CS will be determined by the collective contribution of the elements during the purchasing transaction. Price could for example compensate for poor in-store service, or excellent assistance of personnel could compensate for poor product assortment.

This interpretation of elements within schemata in memory represents the transformation process that directs the outcome of the process (Whitchurch & Constantine, 1993:328). The fact that CS is interpreted as a collective whole has specific value for the customer in an emerging economy. Different elements may be perceived as important, and satisfaction (output) may be reached via different routes. This phenomenon is known as equifinality. Consumers may evaluate the CS offered in various stores across a range of attributes, computing a weight or score for each. Based on compensatory processing, the customer will select a store that scores the highest among the alternatives

evaluated (Schiffman & Kanuk, 2007:456). A positive attitude of a salesperson and his concern about the satisfaction of the customer may therefore result in a consumer's satisfaction with the CS of a store despite many other shortcomings in its CS (Malhotra *et al.*, 1994:3, 5).

2.2.5 Customer service as a determinant of informed, responsible buying decisions (Output)

From a CS point of view, a purchase has been accomplished successfully when an informed responsible buying decision has been made that will simultaneously fulfil the needs of that consumer. CS, as an output of a responsible informed buyer transaction, will have a positive effect on subsequent buyer decisions because the experience becomes part of a consumer's internal frame of reference, forming schemata to be used as reference in future purchase decisions (Erasmus & Donoghue, 1998:37; Erasmus, Boshoff & Rousseau, 2002:80; Hawkins *et al.*, 1992:674). It will also result in a steady word-of-mouth promotion in favour of the store and may enhance store loyalty. It reduces the business's costs in finding new customers and minimises switching behaviour among consumers (Blem, 1995:7; Goff, Boles, Bellenger & Stojack, 1997:171; Gowan *et al.*, 2001:278). Inevitably consumers place greater importance on the excellence of the CS experienced than they do on the costs associated with this acquisition (Cronin *et al.*, 2000:209).

Evidence shows that a purely cognitive approach to CS may be inadequate for modelling satisfaction evaluations (Wirtz, Matilla & Tan, 2000:348). Consumer satisfaction and especially consumer delight with the CS offered is an emotional response that reflects a positive affect regarding cognitive and affective elements (Buttle, 2004:21; Clarke, 2001:112; Goff *et al.*, 1997:171). Satisfaction judgements are thus seen as affective outcomes of elaborate cognitive processes in which consumers compare the actual performance of the product to some internal standard (Dubé & Schmitt, 1991:52). Research indicates that products are not only bought for the performance benefits, but also for social and psychological reasons that may lead to different criteria dominating the purchase decision (Erasmus, 2005:89). The imperative of ACS in

retail is to acknowledge the context. This is confirmed by Malhotra *et al.* (1994:1-8) in their caution to refrain from a standardised marketing approach in different countries, as well as Williams's (2002:249) and Winsted's (1997:337) conclusions of the specific importance and unmistakable influence of culture and context on SQ determinants.

2.3 A DISCUSSION OF SERVICE QUALITY WITHIN A SYSTEMS APPROACH

2.3.1 Service quality defined

Customer service is eventually interpreted and experienced in terms of service quality (SQ), that is, the extent to which a store provides certain desired characteristics to its customers (Crosby, in Mentzer, Bienstock & Kahn, 1993:512). SQ is defined as a primarily cognitive, left-brained, evaluative and objective concept (Shemwell *et al.*, 1998:156), as well as a type of attitude that results from comparisons consumers make between their expectations and their perception of the actual service performance and the conformance to their requirements (Bahia & Nantel, 2000:84; Bitner, 1990:71; Cronin *et al.*, 2000:195; Parasuraman, Zeithaml & Berry, 1985:42; Zeithaml, Berry & Parasuraman, 1996:32). Perceived quality is defined as a consumer's judgement of the overall excellence of a company (Kang, 2006:38). Since quality is perceived subjectively, service quality levels are defined in terms of customer expectations (Grönroos, 1988:10; Hughes, 2006:114; Langevin, 1988:3).

It is important that the essentials of both product quality and SQ are understood (Gummesson, 1988:3). Two concepts of SQ are distinguished – quality *in fact* and quality *in perception*. Quality *in fact* is achieved when an organisation does what it sets out to do, and quality *in perception* occurs when the organisation meets the customer's expectations. The complex role of quality not only affects perceptions of value and satisfaction, but also directly influences behavioural intentions (Cronin *et al.*, 2000:211).

2.3.2 The importance of SQ in retail

Offering quality service is considered an essential strategy for success and survival in today's competitive retail environment (Dabholkar *et al.*, 1996:3; Parasuraman *et al.*, 1985:41; Parasuraman *et al.*, 1988:15; Rust, Danaher & Varki, 2000:439). A commitment to quality must start at the top with the CEO of the organisation and must be embraced by workers down the line. The goal for every individual and department in an organisation is to ensure they understand the expectations of their customers, that they match their specifications to those expectations, and that they subsequently fulfil those specifications (Gummesson, 1988:21). Everyone needs to be aware that potential first-time buyers may be looking extremely hard for cues that indicate quality and all should be sharing the responsibility for producing quality products and services. If a service provider wants to improve his service offering, he must approach the goal of zero defects by implementing better systems, better recruiting procedures, better training of staff, improved internal marketing, better involvement of customers in the service delivery process, better premises and a better relationship between the front-line staff and the support staff (Di Primio, 1988:24).

Strong demand fluctuations of service delivery may require excess capacity and careful planning at the level of the service provider to prevent problems when the demand for service is not uniformly distributed over time (Day & Toledano, 1995:25; Parasuraman *et al.*, 1985:44). The training of employees is absolutely critical as many services (e.g. retail) are primarily people based. Ultimately a programme of recognition, gratitude and incentives should be implemented to reward employees for excellent service so that the store may benefit from excellent service quality (Townsend & Gebhardt, 1988:6-11).

A company should seize every opportunity to show customers they matter. The PIMS study (Profit Impact of Market Strategy), conducted and published by the Strategic Planning Institute (Townsend & Gebhardt, 1988:6), clearly shows that organisations that are believed to provide quality products and/or services make at least twice as much money as those with a reputation for poor quality. In the intensive competition amongst stores that are constantly seeking

profitable ways to differentiate themselves and to retain and even increase their customer base inter alia through attractive prices, care should be taken that efforts do not result in lower standards of quality in terms of the service that is offered. It is a matter of delivering what the customer perceives as a reasonable match to expectations (Mittal, 2001:108). Since the 1980s, consumers in First World countries have become more preoccupied with quality and have shown an increased willingness to pay higher prices for it (Turley, 1990:5). Quality improvements affect revenue through improved image, increased sales, economy of scale, and reduced price competition. Therefore the impact of quality on profits is: "quality pays!" (Gummesson, 1988:6).

The offering of quality products is a fundamental aspect of SQ. Quality of products is defined as a conformance to certain requirements as a rated ability of the brand to perform its function (Kotler, 1994:91) or the extent to which an appliance conforms to tight manufacturing standards considering the various dimensions of quality, which include performance, durability, reliability, serviceability and aesthetic properties (Kang, 2006:38; Seth, 2006:82; Sureshchandar, Rajendran & Anantharaman, 2002:364). Perception of quality risk is defined as the potential that a product or service will not meet a customer's minimum quality standards (Turley, 1990:5). Service managers can thus reduce customers' perceptions of quality risk by concentrating on the offering/supply of products of excellent quality and through an excellent service offering.

Quality promises different things to different people: to the owner of the business it is a way of making more money, to the employee it is a way to have pride in the job, to the customers it is a way to get what they want (Rust *et al.*, 2000:439; Townsend & Gebhardt, 1988:10). The benefit of quality improvements is that the business will attract new customers, and will change current, satisfied customers into loyal customers, as there is a strong positive correlation between SQ and customer satisfaction. Customer satisfaction is also positively related to effective and continued commitment (Rust *et al.*, 1995:58; Shemwell *et al.*, 1998:162, 163). Services are produced and consumed simultaneously and are predominantly intangible. Quality is therefore difficult to control and service

outcomes are even harder to guarantee (Bettencourt, 1997:384; Buttle, 2004:232, 233; Grönroos, 1988:11).

2.3.3 The dimensions of SQ

The concept of SQ is complex, diffuse and abstract, mainly because of the three distinctive features of a service, namely intangibility, heterogeneity and inseparability of production and consumption (Pérez, Abad, Carillo & Fernández, 2007:135).

Parasuraman *et al.* (1985:42) define SQ as a measure of how well the service delivered matches the customer's expectations, which is also closely linked to attitude. Research efforts have been focused on the intangible aspect of the service delivered. In 1988 a multiple-item scale (SERVQUAL) for measuring consumers' perceptions of SQ was developed to diagnose and uncover broad areas of a company's SQ shortfalls, the strengths that exist regarding executive perceptions of service quality and the tasks associated with service delivery to consumers. SERVQUAL used 22 items to measure customer perceptions of SQ. It was, however, argued that these items are global in nature, and to be of practical utility the service construct should be context specific (Olorunniwo, *et al.*, 2006:60). The construct of quality, as measured by SERVQUAL, involves perceived quality of an entity's overall excellence; it is a type of attitude, related but not quite equivalent to satisfaction, resulting from a comparison of expectations with perceptions of performance. Five dimensions of SQ were identified, namely intangibles, reliability, responsiveness, assurance and empathy. The significance of these can vary considerably between types of service context and individual buyers (Parasuraman *et al.*, 1988:15, 17). The SERVQUAL scale was later refined and reassessed with wording and item changes (Parasuraman *et al.*, 1991:3, 4) and is still widely used in retail research to measure SQ.

Criticism of SERVQUAL is based on using different items for various services and adapting the produced dimensions to the service being studied (Carman, 1990:35). Alternative scales were thus developed, such as the revised SERVQUAL scale (Parasuraman, Zeithaml & Berry, 1991:67), and the SERVPERF

scale (Cronin & Taylor, 1992:55), both offering the five dimensions. In an effort to conceptualise SQ, Sureshchandar *et al.* (2002:365) identifies five factors from the customers' point of view, as crucial in terms of SQ. These form the core service, namely sales, the human element of service delivery, the systematisation of service delivery (nonhuman element), tangibles of service and social responsibility. Another approach by the "Nordic school" describes SQ in terms of six criteria: professionalism and skills, attitudes and behaviour, accessibility and flexibility, reliability and trustworthiness, recovery reputation and control (Turley, 1990:5).

Although SERVQUAL has been used widely, there has been little support lately for the five-factor structure (Carman, 1990:33; Pérez, 2007:141). Two dimensions of SQ have been identified as the focal stimuli to which a consumer responds directly and the contextual stimuli that form the physical environment for the perception of the focal stimuli. Support for these two dimensions has been indicated by recent authors such as Mels (1997), who identified a first dimension termed "intrinsic quality" that describes the human interaction component of service, combining responsiveness, assurance, empathy and reliability. This parallels Lehtinen and Lehtinen's (1991:288) concept of interactive quality. The second dimension, "extrinsic quality", describes the tangible aspects of the service delivery, as does Lehtinen and Lehtinen's physical dimension. SQ has been defined in terms of "process quality" and "output quality" (Lehtinen & Lehtinen, 1991:288). Grönroos (1988:10) suggests that SQ issues can be split into "technical quality" (what is done) and "functional quality" (how it is done). Other authors that support two dimensions are Harrison-Walker (2001), Gottlieb *et al.* (1994) and Wakefield and Blodgett (1999) (Yap & Sweeney, 2007:141).

Dabolkar *et al.* (1996:6) adapted the SERVQUAL scale for validation in stores that offer a mix of merchandise and services. Pure service environments and retail environments may share some common dimensions, but it was stated that measures of retail SQ might capture additional dimensions. Dabolkar *et al.* propose five dimensions to SQ, namely *physical aspects, reliability, personal interaction, problem solving and policy*. Three of these dimensions however have two sub dimensions. *Physical aspects* capture appearance and convenience, while *reliability* includes promises and doing it right. In the

dimension *personal interaction*, the two sub dimensions envisioned are inspiring confidence and being courteous and helpful.

2.3.4 An interpretation of SERVQUAL

CS is defined as all the strategies of retailers that are implemented with the intention of increasing the SQ offering of a store/organisation (Ackermann, 2002:5; Howardell, 2003:1; Levy & Weitz, 2001:586; Schwerdtfeger, 2003:1; Woodruf, 1997:139). Studying the elements of CS and their interactive contribution to the service offering will explain and indicate the CS offered. However, to measure the success of the service offering /CS, the SQ as it is experienced by the customer must be evaluated (Bahia & Nantel, 2000:86; Buttle, 2004:233; Kotler, 1994:91; Zolkiewski & Lewis, 2004:1). Controlling SQ across a range of interactive service encounters requires particular attention to the different people and process issues involved (Lehtinen & Lehtinen, 1991:288). The service sector plays an increasingly important role in emerging economies. Consequently, managers of stores and organisations need to direct their efforts to understanding how customers from different cultures perceive the quality of the service, and how this is translated into consumer satisfaction and behaviour intentions. They have to develop operational definitions of constructs based on the behaviours of their service delivery personnel and specify levels of appropriate performance accordingly (Olorunniwo, Hsu & Udo, 2006:59).

In the service marketing literature, SQ is measured in terms of perception, prior experience/expectation and importance of the service offering (Buttle, 2004:232, 233; Clarke, 2001:114; Danaher, 1997:235; Grönroos, 1988:11). The perception of the *quality of the service* results from the evidence, reliability, responsiveness, assurance and empathy of the actual shopping experience. These arise from the service delivery *process*, which entails the interaction between service personnel and customers during the service performance and the physical *environment*, and physical facilities in which the service is provided (Bendall-Lyon & Powers, 2004:115; Kang, 2006:37; Shemwell *et al.*, 1998:164; Turley, 1990:5). A characteristic mentioned by Vandamme and Leunis (1993:32) that strongly relates to both intangibility and inseparability of SQ, is

“perishability”. Consumers’ evaluation of SQ is however difficult to assess because of the intangibility, heterogeneity and inseparability of the various elements of the construct (Parasuraman *et al.*, 1985:42). Parasuraman *et al.* (1985:42) also suggest that quality evaluations are not made solely on the outcome of a service, but also involve evaluation of the service-delivery process. There should thus also be evidence of the impact of SQ on customers’ behavioural responses (Parasuraman *et al.*, 1991:3).

Although SERVQUAL has been used extensively in assessing SQ, it has also been subject to criticism, for example, for focusing solely on the service delivery process and neglecting technical quality (Kang, 2006:38; Grönroos, 1988:13). There are also many authors who examine the cross-cultural differences in SQ perception, and replications of SERVQUAL in non-Western cultures have failed to validate its dimensional structure. Researchers argue that consumers in different countries assign different meanings to existing SERVQUAL dimensions (Kong & Jogaratnam, 2007:276).

Dabholkar *et al.* (1996:1, 47) proposed that the SERVQUAL scale be adopted for research in retail, and thus developed a scale to measure SQ in stores that offer a mix of merchandise and service. Three perceptions of SQ were proposed: the customer’s overall perception of SQ, primary dimensions and subdimensions of SQ. They also proposed a hierarchical factor structure for SQ with five dimensions central to it, namely physical aspects, reliability, personal interaction, problem solving and policy. Three of the five dimensions are more complex and involve more than one component or subdimension that integrates related attributes (Dabholkar *et al.*, 1996:6). The adopted SERVQUAL scale of Dabholkar *et al.* (1996:1, 14) was chosen for this research as it was initially designed for an environment where a mix of services are offered and the scenario of major electrical household appliances in a department store setting that target consumers across a broad socioeconomic spectrum, seemed to fit the context.

2.3.5 Consumers' assessment of customer service (CS) and service quality (SQ)

While it is true, generally speaking, that people throughout the world have similar needs and desires, it is also true from a global marketing viewpoint that these needs can be satisfied in different ways, depending on or because of the differences in culture, tradition, lifestyle or ways of managing business (Kong & Jogaratnam, 2007:276; Korey, 1995:74). It is thus suggested that organisations in different countries should not adopt a standardised marketing approach. Malhotra *et al.* (1994:7) describe the differences between the perception and practical implementation of the dimensions of SQ between developed and developing countries and explain that in developed countries service reliability assumes consistently performing the service dependably and accurately, while consumers in developing countries with emerging economies would place the importance of the availability of sophisticated technology second to the importance of the human touch of the service.

The root causes of SQ problems are typically blamed on inadequate systems. Lack of communication and/or feedback at various levels and in all directions also seems to be a problem. Insufficient on-the-job training, especially with modern technology, is a problem that is often laid at the door of the salespeople, as is a high turnover rate in personnel, usually due to lack of motivation. Everybody does not necessarily consider quality a top priority and errors are often considered to be expected and anticipated. From the customer's point of view, the greatest concerns in terms of SQ are with quality on the accuracy level, timeliness (i.e. processing deadlines), on time delivery and responsiveness (e.g. attitude and face-to-face customer relationships) (Langevin, 1988:2, 3).

It has been reported that customers in countries with emerging economies generally have lower quality expectations and therefore demonstrate a wider zone of tolerance for ineffective services compared to customers in developed countries (Malhotra *et al.*, 1994:8). While customers in developed countries place a higher value on time, timely and adequate response to enquiries and customer complaints, responsiveness in developing countries merely means

responding in substantive terms, rather than a timely response (Malhotra *et al.*, 1994:4). In the individualistic societies of developed economies, the competence of service personnel is more important and higher regard is placed on individual rights, beliefs and privacy as well as on individuals' initiative and achievements (Hofstede, 1980:264; Malhotra *et al.*, 1994:5). Non-personal contact seems more significant, and higher levels of *relationship marketing* must be employed because emphasis on intangibles may achieve better results. The difference in the expectations of different consumer groups poses exceptional challenges to retailers, such as department stores in SA, that have to serve diverse consumer groups. In the collectivist societies of developing countries, on the other hand, *personal contact and social norms* are more important, and service personnel should not only abide by the widely accepted social norms of the community, but also mirror their respect for and commitment to these norms (Goodwin, 1996:387; Malhotra *et al.*, 1994:5). This is difficult to achieve in an organisation/store (e.g. in SA) where customers from diverse backgrounds have to be served. The focus is on the competence of the *organisation* that provides the service, overshadowing individual identity and skills of the service employees, which is in contrast to the approach in developed countries. A greater focus on the tangible core service may therefore be more successful in an emerging economy where these benefits will serve to strengthen the relationship bond with the customers (Malhotra *et al.*, 1994:7). Emerging economies are also characterised by a large power distance, where employees at different levels of the organisation are regarded as unequal in roles, power and skills (Malhotra *et al.*, 1994:6). This is generally very obvious in the working environment, for example the store.

Communication between the customer and the organisation/store is important in the provision and perception of the service offered (Buttle, 2004:24). In developing countries access to information depends on the contact between the supplier and the customer. Limited and unreliable communication will consequently result in poor information flow. For this reason, customers who find it difficult to communicate with personnel in the store, more often acquire their information from endorsements of satisfied customers, brand names, the manufacturer's image, and interpersonal factors like family, social group and social class (Erasmus *et al.*, 2005:92; Malhotra *et al.*, 1994:5).

The three levels of relationship marketing involve financial incentives, combined financial and social benefits customising the relationship with their clients and structural bonds, in addition to social and financial bonds to solidify this relationship. In emerging economies relationship marketing is at most at the first level, and organisations/stores restrict their marketing edge and competitiveness merely to financial incentives that are offered to customers (Malhotra *et al.*, 1994:9).

Ultimately, store managers should engage in deliberate efforts to reduce perceived quality risk, especially for inexperienced consumers in developing countries. This would prevent problems at an early stage and prevent potential catastrophes with dissatisfied customers later (Gummesson, 1988:7). Given the intangible nature of services and the inseparability of the production and consumption of the bulk of services, it is difficult for customers to perform prior *evaluation* of a store's service. Thus the trustworthiness, believability and credibility of the service supplier (store) are crucial in terms of store patronage. A service supplier, for example a retail store, operating in an emerging economy should stress its long tradition and importance in that society as a means of highlighting the credibility and trustworthiness of the store.

A consumer might still not be able to make a responsible, informed buyer decision, despite the fact the service was experienced as being "impressive" and despite the fact that the customer seemed satisfied when he left the store. A quantification of SQ therefore still depicts only part of the scenario that influences consumer decisions (Malhotra *et al.*, 1994:6). In analysing foreign markets, different perspectives are therefore needed when looking at customers. Research should demonstrate an insight into such analysis and a willingness to adjust to new and different conditions.

A positive evaluation of SQ does unfortunately not guarantee that the service offering enhances informed, responsible buying decisions. However, a positive evaluation of SQ would probably indicate satisfaction with the service performance. This may lead to the probability of a repeat purchase, which means that return visits to the store could be capitalised on to inform and

educate consumers in making informed buying decisions (Yap & Sweeney, 2007:139).

2.4 SOUTH AFRICAN CONSUMERS' SITUATION IN AN EMERGING ECONOMY

2.4.1 Consumer socialisation

Despite an improvement in the living conditions of millions of previously disadvantaged consumers in the RSA since 1994, limited product-related consumer socialisation and inadequate product knowledge and experience unequivocally restrict consumers' ability to make informed buyer decisions, especially regarding the expensive, complex, durable commodities that they are confronted with in retail. In research done by Kachale and Makgopa in Gauteng, South Africa (Erasmus *et al.*, 2005:90), it became clear that the average black consumer's knowledge of the basic properties of appliances is below average and that even the more experienced consumers' product knowledge was too limited to support informed buying decisions.

Many consumers therefore rely on secondary indicators of quality, namely price, guarantee and advertisements. Instead of asking for information from the salesperson, who is supposedly a trained and informed facilitator, they prefer to rely on friends and family for advice (Erasmus *et al.*, 2005:91). Inexperienced consumers apparently define quality in terms of brand name, and will retrieve the same set of brands regardless of the usage situation whereas it is preferable for them to use brand information that is appropriate for different usage situations and should be able to organise this information by product subcategories that allow them to retrieve the brands appropriate for the usage situation (Cowley & Mitchell, 2003:443). The absence of appropriate schema may be the reason for inexperienced consumers' tendency to buy new appliances with a well-known brand name to decrease risk perception (Beatty *et al.*, 1996:224; Buttle, 2004:15-26; Cowley & Mitchell, 2003:443; Erasmus *et al.*, 2005:99; Williams, 2002:251).

More experienced consumers may also have formed schemata about specific brands that will influence the evaluation of the brand either positively or negatively. Some consumers may even regard "buying the right brand" to be an image builder (La Rossa & Reitzes, 1993:136) as well as proof of good quality. Positive associations with previously used and therefore well-known brands are transferred to the new product, especially when the products share some attributes, for example large electrical household appliances. Marketers use this consumer characteristic when they extend a well-established brand name to a new product via for example family branding (Chakravarti *et al.*, 1990:910).

Social development involves a social perspective that relates to purchase influences and negotiation skills (Darden, Darden, Howell & Miller, 2001:655; John, 1999:189; McGregor, 2001:1). Impression formation that involves the ability to make social comparisons is strongly related to an understanding of the social implications of products and consumption. Therefore, consumer socialisation impinges on shopping orientations and store choice criteria, as well as on the ability of the consumer to make informed, responsible buying decisions (John, 1999:187–189; McGregor, 2001:1). Implications for retail where less and more experienced consumers are dealt with simultaneously are thus challenging.

In developing countries, consumers' problems may have originated in childhood, as they may lack the consumer socialisation that is supposed to develop a child into a mature customer who can make responsible buyer decisions in the marketplace. Consumers typically acquire product knowledge through informal learning processes, like exposure to and continuous use of products (Schiffman & Kanuk, 2007:162). It has been found, however, that despite the rising sales in electrical appliances over the past decade, consumers do not have adequate product knowledge to make informed, responsible decisions (Erasmus *et al.*, 2005:99).

The development of cognitive and social knowledge and skills in children by experiencing various shopping experiences helps the adult consumer to understand retail institutions. When an individual is exposed to an unfamiliar

situation, his subconscious processes become conscious and his general knowledge (semantic content) will dominate his decisions. The long-term memories (knowledge) of a young child are stored as schemata (Abelsohn, 1981:715) that enable him to cope with life (Erasmus et al., 2002:2). When young consumers are exposed to retail, they learn to understand shopping procedures and scripts/schemata and therefore learn to compare prices and qualities, and understand pricing as a mechanism for relaying value (Erasmus et al., 2002:2; John, 1999:196). Consumers who have not been exposed to transactions in the marketplace from an early age will probably not have acquired the relevant shopping knowledge and skills to cope without assistance. They will not understand the sequence of events involved in shopping, or have the experience needed to enable them to complete a retail transaction with confidence (John, 1999:197). Piaget believed that the child's intellectual development is the result of the interaction of hereditary and environmental factors (Ginn, 2008:1). Knowledge is invented and reinvented through constant interaction with the environment and others. If this interaction is limited because the child is not exposed to the marketplace, he is not actively involved and therefore neither assimilation nor accommodation of new information takes place (Ginn, 2008:2).

As children grow older they will develop better decision-making skills and therefore acquire more shopping skills. They will address different information sources to collect information on important functional aspects of products, they will use more information when evaluating and considering products, and they will adapt their decision-making strategies to the nature of the decision they have to make. They will evaluate and compare product offerings, focusing more on important and relevant attributes to form preferences (John, 1999:200). Inexperienced consumers, with limited consumer socialisation, do not possess these schemata that would guide their buying decisions. Only when a consumer accumulates more experience and acquires the cognitive abilities needed, can he compile more abstract and complex scripts based on individual shopping experiences (John, 1999:187-189; McGregor, 2001:1).

The lack of scripts (social schemata) owing to little or no exposure to retail transactions that contribute to limited memory may be the reason for poor

knowledge of household appliances (Erasmus *et al.*, 2002:3). One would therefore expect an inexperienced consumer with limited consumer socialisation (John, 1999:187-189; McGregor, 2001:1) to rely on the salesperson and the store to assist and guide him during the consumer decision-making process. From a Consumer Science point of view, one of the most important responsibilities of a salesperson is to assist consumers in making informed, responsible buying decisions (Erasmus, 1998:147; Gothan & Erasmus, 2004:97). However, inexperienced consumers apparently rather rely on friends and family for advice (Erasmus *et al.*, 2005:90). Proper consumer education and facilitation is therefore needed to enhance informed responsible decision making (Crie, 2003:66; Erasmus *et al.*, 2005:100; Phau & Sari, 2004:410).

2.4.2 Ownership of household appliances

Electrical household appliances are acquired for several reasons of which the saving of human energy and time are often mentioned as highly important motivational factors (Burton, 1992:383; Carter, 1998:1). However, research indicates that consumer goods are often bought for benefits other than their time and energy saving characteristics. They are often bought for less obvious aspects such as *social and psychological benefits*, for example, experiencing a sense of prestige and personal achievement (Erasmus *et al.*, 2005:93).

The acquisition of major household appliances – in terms of the importance of the purchase, the consequences and impact of purchase decisions in the short and the long term – is generally described as a high-risk decision that may create a considerable amount of confusion and tension, especially for the inexperienced and uninformed consumer (Beatty *et al.*, 1996:224; Buttle, 2004:15-16; Sweeney *et al.*, 1999:78). When purchasing durable goods, consumers will therefore consider various criteria during evaluation of product alternatives (Du Plessis & Rousseau, 2003:94; Erasmus *et al.*, 2002:19), for example benefits that are considered utilitarian, that is, objective, economic, rational and functional or hedonic (abstract); and benefits arising from experiential, abstract, subjective, emotional, symbolic, sensory, non rational and aesthetic attributes (Buttle, 2004:26; Sweeney *et al.*, 1999:81; Sarin *et al.*, 2003:71,72). Some however report that the most important values of

consumers' utility for consumer durable goods are social values, stimulation and materialism (East, 1993:19-21; La Rossa & Reitzes, 1993:138).

Apart from their functional value, household appliances (white goods) also have symbolic appeal and are considered image builders (Broadbridge & Marshall, 1995:10; Erasmus *et al.*, 2005:93). Previously disadvantaged consumers who are eager to improve their lifestyles may therefore focus on status factors during product evaluation (Malholtra *et al.*, 1994:6) and not necessarily on the consequences of the purchase, for example service life expectancy, product performance and maintenance. Consumers could then become more ego-involved with some products than with others to demonstrate, amongst others, that they can afford the type or brand of appliance, although they may not necessarily possess adequate knowledge about the performance and functional characteristics of the product to make an informed buyer decision (John, 1999:201; McNeal, 1985:34).

As the living conditions of black consumers in South Africa in particular have improved dramatically in recent years, owing to higher salaries and access to electricity, there has also been an increase in the purchase of electrical household appliances. In this scenario factors other than performance characteristics and durability often dominate purchase criteria at the point of purchase. This could lead to consumers choosing an appliance that is exceptionally expensive or technologically too advanced to be used to its full potential – a scenario of failed consumer education or consumers who are insensitive or ignorant (Erasmus, 2005:89).

2.4.3 Confusion created by rapid development in technology

Products such as household appliances are designed to embrace new concepts, configurations, materials and manufacturing methods (Wingo, 1996:176) and this may cause confusion during product evaluation. Even more experienced consumers may struggle to choose between the product alternatives and to interpret relevant choice criteria. Understandably consumers often feel incapable of evaluating the functionality of new products

due to differences in design, functional aspects, performance characteristics and differences in price (Erasmus *et al.*, 2002:76).

Salespeople should not assume that customers are familiar with new appliances or that they know and understand the properties of the appliances that are on display (Blem, 1995:30). In developing countries and in retail where inexperienced consumers are served there is an increasing need for personal assistance and facilitation to enable informed responsible buying decisions. Facilitation means making things easier in the world of technology and change that can be bewildering. Salespeople use a range of skills and methods to help customers make decisions and achieve the results they want (Townsend & Gebhardt, 1988:9). In the facilitation process information should be provided with sensitivity, acknowledging personal preferences and emotional issues such as the importance of portraying specific psychological, social and cultural needs and wants (Erasmus, 1998:150). Rude, uncaring or uninformed employees will probably cause dissatisfaction and the likelihood that consumers will switch to other service providers (Graham, 2002:3; Naylor & Frank, 2000:312).

2.4.4 Consumers' inability to handle information overload

The purchase of major household appliances suggests extensive consumer decision-making. Indications are, however, that quite the opposite usually takes place, probably due to incomplete information, confusing or too difficult product information or too much information to comprehend (Erasmus, 2002:26). Although a consumer desperately needs assistance and information, he may be easily overwhelmed by too much information about competitive brands and diverse product characteristics (Wingo, 1996:176), and then he may ignore it all (Erasmus, 2002:26). A consumer would often then rely on the brand (Cowley & Mitchell, 2003:443) as a secondary indicator of quality (Erasmus *et al.*, 2005:97; Williams, 2002:250). Product assortment offered by a retailer may be important in retail competition and in satisfying consumer wants, but choice overload also makes it difficult and even impossible for the consumer to manage an informed responsible buying decision (Simonson, 1999:347, 348). He may even screen out certain brands with non-compensatory strategies to

reduce the number of brands and the information to be processed to a manageable amount (Assael, 1993:182, 183; Nelson, 2002:190; Wingo, 1996:176). A salesperson's assistance in terms of a responsible buyer decision is therefore crucial (Gothan & Erasmus, 2004:97).

2.5 CUSTOMER SERVICE IN TERMS OF SERVICE QUALITY AND CUSTOMER SATISFACTION

2.5.1 Customer service with the intention to achieve customer satisfaction

CS is defined as a combination of the activities/strategies offered by retailers with the intention of providing a rewarding shopping experience in an effort to increase SQ and to ensure *customer satisfaction* (Ackermann, 2002:5; Howardell, 2003:1; Levy & Weitz, 2001:586; Schwerdtfeger, 2003:1; Woodruf, 1997:139). The CS offered to a customer by a store is a combination of six elements (products, price, physical environment, personnel, processes, promotions) that are interdependent and jointly represent the physical and social environment where the retail transaction takes place (Bahia & Nantel, 2000:86; Bennett, 1997:151; Buttle, 2004:233; Kotler, 1994:91; Whitchurch & Constantine, 1993:328).

The customer plays no active part in how the elements of CS are offered, other than to interpret and utilise the service when visiting the store. CS appears to be an implicit assumption within the notion of relationships, be it from an interaction or other relationship perspective, between the company and the customer (Zolkiewski & Lewis, 2004:1, Blem, 1995:6). The perception and interpretation of the elements of CS should contribute to/facilitate a responsible informed buying decision that results in customer satisfaction, where satisfaction is defined as the customer's overall evaluation of performance of a consumption-related experience, based on all prior experiences in a store (Bennett & Rundle-Thiele, 2004:515; Buttle, 2004:21; Wirtz *et al.*, 2000:346, 348).

2.5.2 A perception of service quality relates to customer satisfaction

The extent to which a store provides certain desired characteristics will influence the quality of service perceived (Crosby, in Mentzer *et al.*, 1993:512). Services are produced and consumed simultaneously and are predominantly intangible making quality more difficult to control and service outcomes harder to guarantee (Buttle, 2004:232, 233; Grönroos, 1988:11). The customer's perception of SQ is influenced by the technical quality of the end result of the service transferred to the customer and the functional quality or the method by which the service was transferred. SQ is determined every day in relationships between service providers and customers and is a major influence in the formation of service loyalty (Goodwin, 1996:400; Turley, 1990:5). Perceived SQ is the result of a subjective comparison of the customer's expectations of what a store should provide and the amount of satisfaction experienced (Chakraborty, Srivastava & Marshall, 2007:21; Graham, 2002:1; Grönroos, 1988:10; Jones, 2006:60; Langevin, 1988:2; Spreng & Mackoy, 1996:201, 202).

The distinction between consumer satisfaction and perceived SQ is important to managers and researchers because service providers need to know whether their objective should be to have consumers who are satisfied with their performance or to deliver the maximum level of perceived SQ (Spreng & Mackoy, 1996:201, 202). Most researchers maintain that these two constructs are distinct (Parasuraman *et al.*, 1988:15) but it is felt that greater understanding of the relationship between perceived service quality and satisfaction is needed. In more recent literature, SQ is described as a simpler, primarily cognitive construct, while satisfaction is a complex concept with both cognitive and affective components (Shemwell *et al.*, 1998:158). There is ample empirical support for SQ as an antecedent of customer satisfaction in the form of a type of attitude that is predictive of future and repurchase intentions (Anderson, 1994:53; Bitner, 1990:71; Clarke, 2001:114; Cronin *et al.*, 2000:195; Oliver, 1981:26; Oliver, Rust & Varki, 1997:312; Parasuraman *et al.*, 1988:12; Solvang, 2007:111).

To date, the study of SQ, service value and satisfaction issues have dominated the services literature (Cronin *et al.*, 2000:193). Despite the debate relating to the interrelationship between SQ and customer satisfaction, both literature

pools share a certain degree of common ground. For example, both seek to define expectations and their interrelationship with perceptual evaluations and both apply Oliver's (1977) disconfirmation-of-expectations paradigm as their core theoretical underpinning (Bitner, 1990:70). It is therefore theoretically possible to cross-fertilise concepts relating to consumer expectations from the SQ into the satisfaction literature (Santos & Boote, 2003:143). Both SQ and consumer satisfaction are at the core of marketing concepts, being conceptually distinct but closely related constructs (Spreng & Mackoy, 1996:201). Particular attention must be given to the relationships among and between these constructs to develop an understanding of the constructs, in terms of how they subsequently drive purchase behaviour (Cronin *et al.*, 2000:194, 195).

2.5.3 Customer satisfaction achieved

Customer satisfaction is the outcome of the consumer's expectations versus his experience of the purchase. Sometimes the terms "quality" and "satisfaction" are used interchangeably as if the two are an essentially evaluative construct. Jacobucci, Ostrom and Grayson (1995:278, 296), however, found that SQ is determined by price, back-stage service and expertise of the salespeople, while customer satisfaction depends on timeliness, service recovery and the physical environment. The customer's on-site service experience is impacted on by the speed of the service, how well recovery takes place if an error is made and the appearance of the environment in which the encounter occurs. Thus the difference between quality and satisfaction may mirror managerial versus customer concerns. Characterising quality as being within the domain of managers and satisfaction as the evaluative reaction of customers would offer a clear basis for distinction. "Quality" programmes involving total quality management would focus on improving the managerially controllable concepts of the service-delivery system and measures of customer satisfaction would capture consumers' reaction. It was found that both improvements in service quality and service value were significant predictors of satisfaction, leading directly to favourable behavioural intentions (Bendall-Lyon & Powers, 2004:115; Bennett & Rundle-Thiele, 2004:515; Cronin *et al.*, 2000:198; Gummerus,

Liljander, Pura & Van Riel, 2004:175; Jacobucci *et al.*, 1995:278, 296; Swan & Trawick, 1981:52).

Research has found that consumer complaint behaviour (CCB) is a complex phenomenon that is influenced by a multiplicity of factors in the choice of a particular complaining action (Crie, 2003:8; Kong & Jogaratnam, 2007:277; Phau & Sari, 2004:3-5). Most CCB research raises questions as to the transportability of findings to non-Western markets. Previous research in cultural psychology has found that an individual's values, concepts of self, perceptions of others and patterns of interaction with his environment are influenced by the "cultural meaning systems" in which they operate (Liu & McClure, 2001:56; Solvang, 2007:110). When studied from an international perspective, differences in complaining behaviour are typically explained in terms of underlying cultural norms and values, such as individualism versus collectivism, uncertainty avoidance or Confucian dynamism. Studies have indicated that collectivist cultures tend to discourage complaining behaviour and those individuals who are high in uncertainty avoidance are less likely to seek redress or to engage in negative word of mouth (Blodgett, Hill & Bakir, 2006:104).

As satisfaction is based on the customer's reaction to the perceived difference between performance appraisal and expectations (Anderson *et al.*, 1994:54; Bendall-Lyon & Powers, 2004:115), not all customers have a guideline to base expectations on, and also not the knowledge to evaluate the information and facilitation offered. They may therefore be satisfied with a purchase that was by no means the best or a responsible choice. Dissatisfaction may arise after some time when an increase in experience highlights the negative aspects of the decision. Disconfirmed expectations cause the customer to approach a state of dissatisfaction, while the confirmation of expectations leads to satisfaction (Bendall-Lyon & Powers, 2004:114; Oliver *et al.*, 1997:316; Swan & Trawick, 1981:53; Wirtz *et al.*, 2000:348).

The ideal outcome of CS and SQ is therefore "customer delight", which is considered a higher form of customer satisfaction. When the experience of CS and SQ surpasses customers' expectations, delight is experienced (Solvang, 2007:115).

2.6 AUGMENTED CUSTOMER SERVICE

2.6.1 Definition

"Augmented" suggests the improvement/enlargement/broadening of an objective or an idea, *inter alia* in terms of a memorable experience of meeting expectations and satisfying needs (Anderson & Zemke, 1991:v; Goff *et al.*, 1997:171-183). Value-added service is more easily understood in terms of experience than in definition. It provides the feeling of politeness and caring when delivered in a person-to-person context. The CEO of the Baldrige winner, AT & T Universal Card, however, reported that "sheer survival means companies have to deliver more than customer satisfaction". Executives from other leading companies have also made it clear that they consider customer satisfaction to be insufficient, and that going *beyond* customer satisfaction to *customer delight* is required. While satisfaction focuses on today and deals with avoiding problems in known circumstances and variables, delight requires more, and provides unexpected value or unanticipated satisfaction (Oliver *et al.*, 1997:313; Solvang, 2007:115).

2.6.2 The challenge in terms of CS

Consumer Science is concerned about the well-being and protection of consumers, especially of inexperienced consumers. Supporting Buttle's view (2004:247), this study aims to provide guidelines to improve the service offering in retail to ultimately enhance informed, responsible buying decisions over and above consumer satisfaction. Gummesson (2002:326) identifies customer service as one of the important areas where marketing practices need to develop to attend to changing realities.

Augmented customer service in a particular context may involve the improvement of certain elements of customer service. Depending on the context, it may even include additional elements and constructs such as risk perception (e.g. a coffee shop versus an appliance store). As more decisions

than ever are made in-store, the challenge is to create an environment in which the customer perceives a one-to-one relationship with the store, to optimise the customer's time and to make it appear as if the ranging and categorisation of products have been personalised just for him. In this way retailers will deliver an experience that the customer will want to repeat (Soars, 2003:628). For the inexperienced customer the focus on the elements of customer service may differ, but through equifinality, a customer should be able to reach the same outcome as an experienced customer, that is, an informed responsible buying decision (Whitchurch & Constantine, 1993:334).

In order to establish augmented customer service that potentially has implications for better conduct of interactions between retail stores and their customers, strategic decisions have to be made by the stores to establish new pathways of creating CS. This may require personnel to be deployed differently or the application of new processes (Hughes, 2006:118). In terms of augmented customer service, all the elements have to be addressed, although those elements that would contribute to informed, responsible buying decisions should become a priority. Any initiative that aims to improve only one of the variables without considering the rest will however be an incomplete strategy and will probably not have the desired effect. Collective efforts to improve SQ and customer satisfaction in general may improve customer service perceptions but may not necessarily improve consumers' competence to make informed, responsible buying decisions (Cronin *et al.*, 2000:209; Whitchurch & Constantine, 1993:334) where they understand the consequences of their decisions and accept responsibility for it. Buttle (2004:247) states that augmented customer service is achieved when the business focuses on the needs of the customer rather than actions that would lead to more profit. When CS and the offering of quality service is driven by an economic perspective, price and profit will be accentuated, leading to financial payoffs for the company, while customer service may be neglected (Blem, 1995:15,16).

Customer service is a multidimensional construct that consists of various elements that are interrelated and that individually and collectively influence consumer decisions. In order to augment customer service to ensure/ achieve

informed, responsible buying decisions, customer service need to be revised to address the needs of consumers that enter the store, should limit problems during use of appliances and should reduce negative interactions with retailers and service providers. Consequent higher levels of satisfaction may eventually also produce the more evasive goals of store loyalty (Oliver *et al.*, 1997:312).

2.7 CONCEPTUAL FRAMEWORK¹

Relevant concepts as discussed in the literature review, are presented in terms of the following conceptual framework and the discussion follows below:

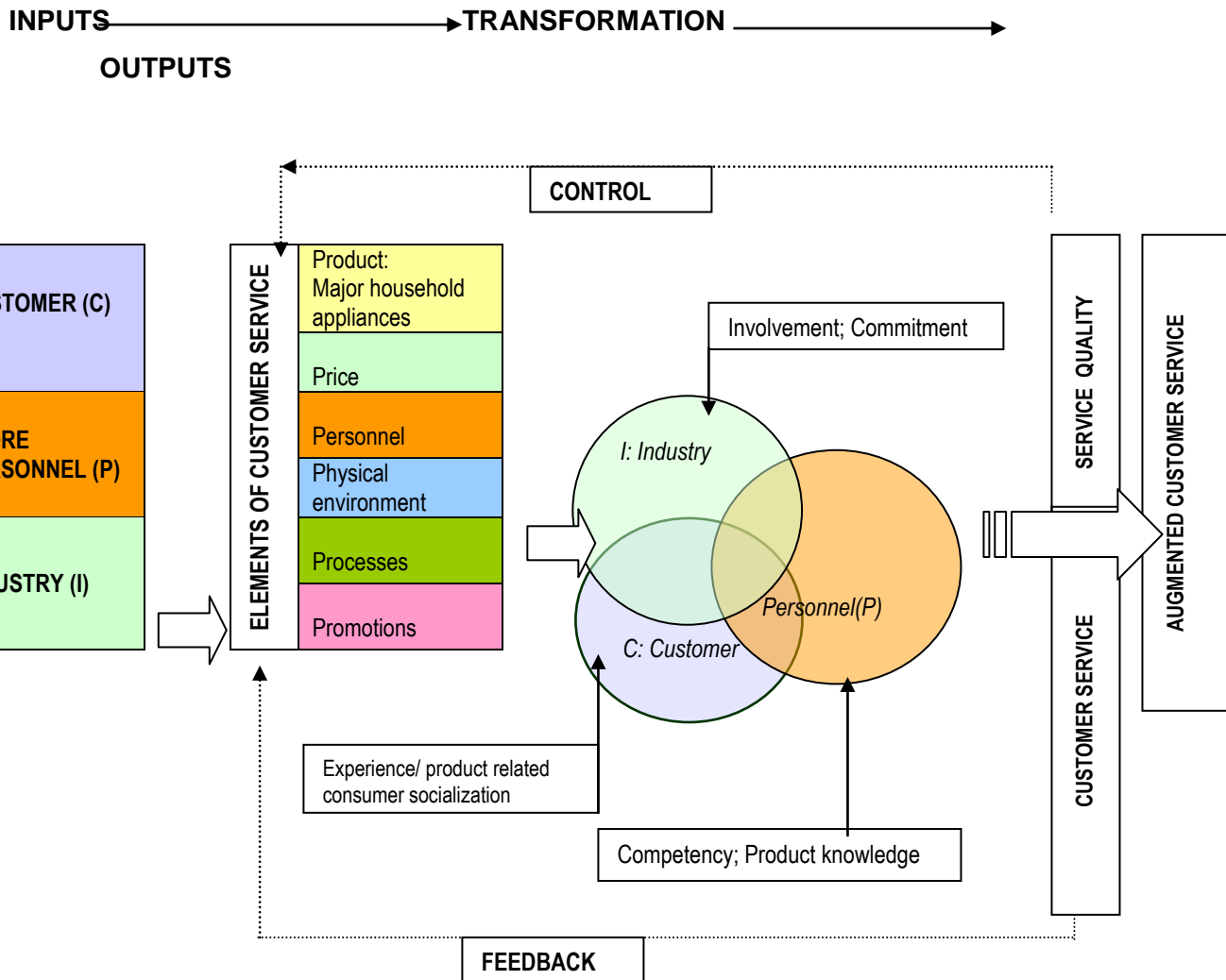


FIGURE 2.1: A CONCEPTUAL FRAMEWORK THAT DEPICTS THE CONCEPTS THAT PERTAIN TO AN INVESTIGATION OF THE SERVICE OFFERING (CUSTOMER SERVICE AND SERVICE QUALITY) IN RETAIL STORES WITHIN THE SYSTEMS APPROACH

¹

C: Consumer

P: Personnel

I: Industry

Customer service in the retail environment is inevitably influenced by customers (C), store personnel (P) who are involved with the policy and dealings of the store on a daily basis as well as partners in industry (I) that supply the merchandise that is offered in the store. The contribution of each of the role players towards the service offering (INPUTS) differ and can be described in terms of demands, needs, preferences that relate to the elements of the marketing mix (products, price, personnel, physical environment, processes and promotions). The transformation of these inputs towards the eventual service offering that is judged in terms of service quality (SQ) will indicate some agreement between the various role players in terms of what and how the service offering should be but there may also be disagreement in terms of what should be offered, how, and the relative importance of each of the elements of the marketing mix. While consumers' needs, expectations and preferences are based on their experience, i.e. product related consumer socialization that is not necessarily realistic or objective, the personnel's contribution towards the service offering will be influenced by factors such as their competency and product knowledge. Industry's commitment and involvement in the stores will affect their influence on the customer service and the eventual service quality (OUTPUT). Augmented customer service, from the perspective of the discipline of Consumer Science, visualizes a service offering that focuses on informed, responsible buying decisions. This suggests that consumers' purchase decisions should be based on a thorough investigation of the product alternatives (cognitive approach) and that the product information that is required is supplied in the store in a format that is understood by and acceptable for the customers who patronize the specific store. 'Responsible' buying decisions suggest that consumers take responsibility for the buying decisions: if a buying decision is emotional in kind, a consumer should at least be informed in terms of the consequences of that decisions and take responsibility for the outcome. Within the systems perspective a consumer's experience will feed back into his memory to support future decisions and the manner in which the elements of customer service is perceived during consequent in store encounters.

Chapter 3

RESEARCH METHODOLOGY

This chapter presents the research methodology in terms of different phases for the three main areas of investigation in accordance with the objectives for the research.

3.1 INTRODUCTION

The research was executed in specific phases with the intention to investigate the service offering in retail stores using different approaches and different techniques to enhance trustworthiness and credibility of the data. The different phases involved consumers, who were recruited in the various retail channels at point of sale; personnel (managerial staff as well as sales personnel) and eventually also representatives from industry. Their assessments of the service offering in appliance sales departments in retail stores were interpreted to eventually propose ways in which the service offering could be augmented to enhance informed, responsible buying decisions in a complex product category to the advantage of all parties involved. The conceptual framework (Figure 2.1) indicates the relevant concepts.

The research was executed in a sequence that allowed the formation of good relationships with the various retail outlets without which the success of the project would have been impossible. The research procedure and the findings are however reported by providing evidence of the interpretation of customers first to allow for an unfolding of evidence that seemed more appropriate for eventual interpretations.

3.2 PROBLEM STATEMENT

Extant literature mainly follows a marketing-dominated approach on how customer service (CS), service quality (SQ) and customer satisfaction levels relate to relevant relationship-orientated outcomes that will result in store loyalty, positive word-of-mouth communication, return intentions and recommendation of the store. Little has been done to date to evaluate the retail environment in terms of actions, conditions and processes that would enhance consumers' ability to make informed, responsible buying decisions, especially with regard to complex, expensive commodities such as major household appliances. Any effort to augment customer service is not straightforward, however. Customer service in fact represents a complex phenomenon where the interactive contributions of the individual elements of CS are integrated meticulously in terms of a particular CS scenario, such as selling major household appliances in a department store setting. An improved understanding of CS in terms of an augmented customer service offering would address the seemingly paradoxical situation in RSA where the provision of appliances in retail and the consumers' ability to make informed responsible buying decisions seem incongruent.

3.3 RESEARCH OBJECTIVES

The following objectives directed the research design and methodology:

1. To investigate and discuss **consumers' judgement** of the service offering in the appliance departments of selected retail channels in the RSA in terms of (i) tangible evidence of the service offering as well as (ii) consumers' perception of the service quality in terms of a SERVQUAL judgement, to
 - ▣ relate consumers' satisfaction with the customer service and their perception of the service quality to specific indicators such as age, product knowledge, interpretation of the ease to conclude the buying decision and product related experience.

- ❑ relate consumers' judgement of the service offering to their product knowledge as an indication of their potential to conclude informed, responsible buying decisions.
2. To investigate and describe the service offering in appliance departments in selected retail channels from the point of view of **store management** in terms of
 - ❑ *the visual presence* of the various elements of customer service (i.e. product; price; physical environment; personnel; processes; promotions) as defined in literature as elements of the marketing mix.
 - ❑ *sales personnel's suggestions* for optimal application and presentation of the various elements of CS during a sales encounter.
 3. To investigate and describe **industry's view** of their potential contribution towards augmented customer service (ACS) in appliance sales departments in retail stores and to discuss their potential contribution to ultimately enhance informed responsible buying decisions.
 4. To identify shortcomings in the service offering in appliance departments in prominent retail stores in terms of aspects that are neglected or counteract the potential of consumers to conclude informed, responsible buying decisions.
 5. To formulate suggestions on how the customer service (CS) in appliance departments in retail stores could be augmented to ultimately enhance the Service quality (SQ) beyond positive judgements to a service offering that encourages informed, responsible buying decisions.

3.4 RESEARCH STRATEGY

This research was empirical in nature and followed an exploratory, descriptive approach. The research aimed at an immersion in the natural setting of a specific scenario in retail (appliance sales) to investigate, describe and evaluate processes as objectively and accurately as possible. Using the

interpretations and first-order descriptions of customer service (CS) and service quality (SQ), the study aimed to develop and make a deductive conclusion about customers' perception of SQ based on their personal in-store experiences and post-purchase evaluations to make retrospective conclusions that could be used as the basis for suggestions on how CS in retail in an emerging economy can be augmented to enhance SQ to the advantage of all parties (customers; retail; industry) involved.

The research was cross sectional and was launched and executed during May to July 2007. Assuming that judgements could change over time, the findings of this research project are intended to portray a cross sectional study, that is, to reflect consumers' judgement of the CS and consequent SQ in the appliance sales departments of prominent department stores at a specific point in time in the RSA (Babbie & Mouton, 2001:76, 92). CS and SQ, two distinctive yet interrelated phenomena, were investigated and described from the perspective of the relevant role players, namely customers, retail store personnel (as representatives of the store), and representatives of the industry. The objective was to determine whether the *a priori* service offerings were conducive for informed, responsible buying decisions and to detect shortcomings with regard to CS per se, as well as individual attributes of CS that could be enhanced to augment the CS offering to the benefit of all.

3.5 RESEARCH DESIGN

A multiple research method was chosen. Primary data was collected through a combination of quantitative (surveys) and qualitative methods (personal interviews and projective techniques) in predetermined stages. Quantitative methods required a thorough scrutiny of existing literature and involved careful descriptions of the phenomena (CS; SQ). This also involved an investigation of existing scales and measuring instruments to enable an objective investigation, evaluation and description of the relationships between the different elements of CS and SQ using correct scientific methods to describe some part of the reality (a sales context) with certainty, ensuring reliability, validity and statistical significance (Hanson & Grimmer, 2007:59). A mix of quantitative and

qualitative methods, where the latter may extend towards the constructionist end of the continuum and to provide insight, is often used in marketing research (Hanson & Grimmer, 2007:58). The inclusion of interviews and projective techniques allowed an in-depth investigation of human behaviours and interpretations of practical commercially relevant problems in retail (Donoghue, 2000:47; Hanson & Grimmer, 2007:58). The qualitative methods were meant to supplement the quantitative research findings and to enable the researcher to interpret the perceptions and opinions of sales personnel and representatives of the industry (Catteral, 1998:70).

3.5.1 Phases 1 and 2: Quantitative approach (surveys)

The survey involved two phases. Firstly, careful descriptions of the elements of customer service (CS) and the dimensions of service quality (SQ) through a thorough scrutiny of extant research and existing literature were done to design a questionnaire that could be used by customers to judge the service delivery of retail stores. The first preoccupation was to identify the relevant elements of CS for the context of this research (appliance sales) and the dimensions of SQ that served as the theoretical constructs that could be linked to observable measurements in the questionnaire (Babbie & Mouton, 2001:48; Eldabi *et al.*, 2002:65). Customers completed the questionnaire (Appendix 1) immediately after concluding a sales deal to reveal their satisfaction with the service offering of the store (CS as well as SQ interpretation). Consumers' product knowledge, specifically pertaining to the appliances they purchased on that specific day, was also tested in a specific section of the questionnaire to determine whether their product decisions were indicative of informed, responsible buying decisions. Limited demographic information that *inter alia* included details of age, gender and personal product experience in their own households was requested so that possible relationships between these variables and consumers' judgement of CS and SQ could be investigated.

Secondly, an observational survey (Appendix 2) was used to investigate the presence and the presentation of the various elements of the marketing mix in the appliance departments in the stores. This survey served as a method of verification rather than discovery and was performed in the relevant

departments of five selected stores with the consent and the cooperation of store managers.

3.5.2 Phases 3 and 4: An implementation of qualitative techniques: projective techniques and personal interviews

Qualitative techniques of data collection were included to supplement quantitative methods in an attempt to understand respondents' construction of the reality; that is, respondents' quantitative judgement of the CS and SQ of the appliance sales department in a retail store (Catterall, 1998:70; Leedy, 1997:161; Walliman, 2004:246). In the design of the qualitative instruments, that is, projective technique and interviews, the techniques were selected and designed to disclose and understand individuals' personal viewpoints as a form of constructionism (Hanson & Grimmer, 2007:59). According to Hughes (2006:118), the inclusion of techniques that are typically used in qualitative research is valuable for the context-based relevance and appropriateness of the research. Although this research never intended to be qualitative in nature, selected methods were included to aid the understanding of the findings and the context.

Projective techniques (Appendix 3) served as a probe to gain an understanding of salespeoples' perception of problems in the workplace, as well as ideas/suggestions to augment CS, that is, to improve CS so that it would accommodate the needs of customers. The perspectives of the salespeople were investigated in their natural setting, that is, in their working environments in the retail stores where they were employed as sales assistants (Babbie & Mouton, 2001:270, 271). The projective technique was designed to gather data without intervention in or interference with the natural course of retail transactions.

Semi-structured interviews (Appendix 4) were used to gather primary data from representatives of the industry. The tasks were designed to elicit these individuals' prioritisation of the various elements of CS in retail and to investigate their viewpoints on the responsibility of industry towards the consumer, taking

into account that industry very seldom interacts with customers and that retail mostly mediates the discussions, enquiries or problems that may occur.

3.6 METHODOLOGY

3.6.1 Phase 1: Customers' judgement of the CS in retail stores

3.6.1.1 Sample and sampling

The sample frame consisted of all the customers of the prominent retail channels in South Africa, namely, Game, Dions, Makro, Furniture City and Hirsch's Homes that are known to have specific departments for household appliances. These channels were identified with the assistance of the industry (Whirlpool) as well as ECR (Efficient Consumer Response) SA, in a radius of 30 km in the Tshwane metropole in the province of Gauteng, South Africa. These stores were identified on the basis of their location in similar trading areas, although different in terms of the socioeconomic profiles of the location (Internet: Dion, 2006; Makro, 2006; Shoprite Holdings, 2006). The target market of these stores includes all population groups within a wide socio-economic spectrum that include LSM groups 6-8 (Du Plessis & Rousseau, 2003:49), irrespective of age and culture.

These stores stock a wide range of appliances from different manufacturers in mostly lower to middle price categories and keep a limited range of more sophisticated brands. Only one of the targeted department stores stocks a wider range of more exclusive, more expensive appliances which are displayed and promoted in special exhibitions such as partially built kitchens where the functioning of these appliances can actually be investigated. All stores, however, confirmed that they are willing to order any specific appliance if requested by a customer.

The target market of these stores is described as middle-income consumers in the LSM groups 6 to 8 (Cant *et al.*, 2006:90-94). With the assistance of industry, stores in Tshwane, Gauteng, within a radius of 30km were approached to participate in the research project. Consumers who visited the specific

department stores were regarded as groupings of a phenomenon, that is, typical customers of these department stores. The researcher limited enquiry about the profile and demographics of respondents because careful purposive sampling was supposed to provide a group of respondents whose characteristics may be taken to reflect that of the larger population (Babbie & Mouton, 2001:172, 232; Leedy, 1997:205, 213-214; Walliman, 2004:276). All members of the specific population – the customers – stood an equal chance of becoming part of the sample, as all customers, irrespective of age and gender, who concluded a sale in the appliance department of the selected store on that particular day were approached (Mouton, 2001:169). Purposive sampling permits an estimation of the representativeness and the degree of expected error. The researcher assumes that the responses of the participants are honest because only willing individuals, who gave their informed consent (Miller *et al.*, 2005:123), were included in the study.

With the manager's permission, all customers regardless of age or gender, who entered the appliance sales department of the selected store on the specific day (Mouton, 2001:169) and who eventually purchased an appliance before leaving the store, were invited to complete a questionnaire. Contextualisation of respondents to the research setting improved the probability that participants' responses would reflect on actual, recent buying experiences for the sake of the credibility of data (trustworthiness) (Wallendorf & Belk 1989:3). Respondents were actual clients of the respective stores and can therefore be considered a true image of the target market of the stores. In every instance, potential participants' consent in terms of participation and the objectives of the research was obtained first. To ensure honest responses, that is, data integrity, only willing customers participated (Wallendorf & Belk 1989:1; Miller *et al.*, 2005:124).

In each particular store, sampling was done on weekdays as well as on weekends.

3.6.1.2 Measuring instrument: the questionnaire

A self-administered questionnaire (Appendix 1) was designed for data collection in phase 1 to question customers immediately after conclusion of a

sales deal in one of the selected stores. The questionnaire consisted of three sections:

- ❑ Section A dealt with customers' perception of the service quality (SQ) of the appliance department in the store. The SERVQUAL scale contained 28 questions.
- ❑ Section B enquired about customers' satisfaction with the customer service (CS) in the same department. It contained 30 questions.
- ❑ Section C represented a product knowledge test. It contained five subsections, each of which contained 10 basic "need to know" questions on the functional and performance attributes of one of the major household appliances. Every respondent completed three of these subsections: firstly the section that dealt with the appliance they had purchased on that particular day, for example washing machines, followed by any two other subsections that dealt with appliances they already owned and were experienced in using.
- ❑ Section D covered demographic information.

The questionnaire contained brief, closed-ended questions that were responded to by means of simple Likert-type scales to provide uniform answers. Care was taken to make instructions and items clear and unambiguous: the questionnaire was pre-tested beforehand to ensure that customers across the socioeconomic spectrum who visited the stores would understand the task (Babbie & Mouton, 2001:238; Eldabi *et al.*, 2002:66). The questionnaire was bilingual (Afrikaans and in English), and care was taken to ensure equivalence of meaning through a to and fro translation of the text by the researcher and experts in the field. However, because the survey was done in the retail stores, the researcher ensured that a trained assistant was always present to clarify issues, if necessary.

Section A: Service quality judgement

The original SERVQUAL instrument compiled and revised by Parasuraman and co workers (1991:26) to measure consumers' perceptions of the SQ in retail provided the point of departure for this research. This scale was designed to

serve as a diagnostic methodology to identify shortcomings in SQ in retail, based on consumers' perceptions versus their expectations. Although used by several researchers, this scale has been severely criticised for its emphasis on service, and has consequently been adapted on various occasions. The SERVQUAL scale that was eventually chosen for implementation in this research context is the amended version that was compiled by Dabholkar *et al.* (1996:6), which specifically addresses a retail environment where a mix of merchandise and services (such as a department store) is offered.

This scale contained 28 statements that cover five dimensions of SQ, (i.e. *physical aspects, reliability, personal interaction, problem solving, policy*) and which required responses on a five-point Likert-type scale that ranged from 1 (disagree definitely) to 5 (agree definitely). A direct single item approach was followed rather than a two-dimensional expectation–gap analysis approach to simplify the task that had to be completed in the store after a shopping encounter and to limit the length of the questionnaire. A few minor wording changes were made to accommodate the specific scenario of this research but care was taken to retain the item content, for example:

- ❑ Reference to wrapping and packaging was changed because major appliances are not wrapped;
- ❑ Item 11 was added to this questionnaire: *"This store's sales people are neatly dressed"*
- ❑ Item 8: *"This store provides its services at the time it promises to do so"* was discarded as it duplicated item 7: *"When this store promises to do something at a certain time, it will do so"*.

Respondents were asked to treat the high end of the rating scale (5 on the 5-point scale) as representing *service excellence* and the low end of the scale (1) as the contrary, that is, *appalling* and to rate the store they visited accordingly. A five-point scale rather than a more intricate seven-point scale was favoured in this research (Babbie & Mouton, 2001:186) based on caution that the expectations of consumers in emerging economies are not necessarily well-formed and clearly defined compared to the judgements of customers in an affluent economy (Dabholkar *et al.*, 1996:9; Devlin *et al.*, 2003:13).

Section B: Customer service judgement

Customers expressed their satisfaction with the CS offering of the store through responses to 30 statements that represented six pertinent elements of CS. Respondents once again marked the relevant options on a five-point Likert-type scale where the highest score (5) signified *highly satisfied*, and the lowest score (1) signified *highly dissatisfied*. Every element of CS was described through five carefully formulated statements, based on the literature. These statements were mixed randomly in the questionnaire to enhance truthful responses.

Section C: Product knowledge test

The product knowledge test comprised five sections that covered different major appliances (i.e. dishwasher, a fridge or freezer, a washing machine, a microwave oven and a tumble dryer). Each subsection contained ten statements that required “True” or “False” or “Uncertain” responses depending on respondents’ confidence in agreeing with the content of the statements that covered basic “need to know” information relating to each of the appliances. These statements were formulated with basic functional and performance characteristics in mind. The statements originated from a test battery that is used for the training of Consumer Science students at the University of Pretoria in a specific module but the content was revised to reflect only the basic information and to include the latest developments in appliances. Every respondent completed the section on the appliance that was purchased on that particular day as well as any other two they thought they were experienced with. Correct answers scored one mark and the subtotals (thus a maximum of 10 for every appliance) as well as the means, minimum and maximum scores for the various appliances were calculated as an indication of whether customers, having concluded a product purchase, were informed about product characteristics and – performance. Ideally, consumers should clarify any uncertainties during the store visit and the sales encounter and should therefore be well informed by the time the deal is closed.

The outcome of the knowledge test was later used to verify the SQ and CS ratings.

Section D: Demographic information

The researcher assumed that all customers who actually purchased appliances at the various department stores were part of the stores' target market, that is, consumers from various sociocultural and socioeconomic backgrounds within the LSM groups 6 to 8 (middle income). Demographic information in the questionnaire was therefore limited to *gender, age and years of experience with appliances in their own households* for the purpose of statistical correlations. Respondents were also asked to indicate the *difficulty experienced during the buying process* on a five-point Smiley scale. This was meant to be correlated with their product knowledge scores and to explain the CS and SQ judgements, as an indication of whether they were aware of problems.

3.6.1.3 Pre-testing of the questionnaire

The questionnaire was pre-tested on ten customers in the exact setting in one of the selected retail stores (Babbie & Mouton, 2001:244-245). The length of the questionnaire seemed problematic at first: customers were not necessarily confident with the completion of questionnaires of this format and they complained that it took them too long to complete the task. It was then decided to retain the format of the questionnaire but to change the process from a self-administered questionnaire to completion of the same questionnaire in interview format. This procedure proved more successful and prevented respondents from skipping questions and losing interest.

3.6.1.4 Data collection

In order to recruit every customer who concluded a purchase, at least two assistants, that is, the researcher and one trained assistant or two experienced trained assistants, visited a specific store on any specific day. Trained assistants assisted willing respondents by explaining the objectives of the research, the

specific task in each section and the scales first before allowing them to respond to the individual questions.

The researcher and the assistants visited each of the selected stores of the participating channels during weekdays and over weekends with the intention to recruit a sample size of 300. An assistant was only exposed to a specific channel to prevent bias and assist transferability of data (Babbie & Mouton, 2001: 191, 287-292; Wallendorf & Belk 1989:3; Miller *et al.*, 2005:123). A branch of a specific channel was revisited to recruit additional respondents only when the estimated sample size for a specific store took too long to realise. Data collection was done over a period of two months.

Seven fourth-year undergraduate B Consumer Science students, who had successfully completed the relevant subject module as part of the study programme at the University of Pretoria assisted the researcher with data collection. Assistants worked in pairs and each group focused on a specific channel to ensure equal coverage of all channels and selected stores. In a multilingual society like South Africa it is important that respondents answer questions in a language they feel comfortable with. One of the problems experienced was to secure linguistic equivalence, as the country acknowledges eleven official languages of which only two languages, that is, Afrikaans and English, are generally used in formal, public communication. The assistance of a trained co-worker who speaks an African language was therefore used to assist with language issues in a specific geographic area where the customers were predominantly African (Babbie & Mouton, 2001: 239; De Ruyter & Schol, 1998:8). This assistant was appointed because she has a Masters degree in Consumer Science and her own research for degree purposes dealt with problems encountered by previously disadvantaged consumers with household technology. She intentionally targeted the selected stores in Soshanguve, a predominantly black suburb.

All respondents participated willingly and anonymously. However, to encourage participation, a microwave oven that was donated by industry and that could be won in a lucky draw, was used as an incentive for participation. Respondents who were interested in the competition added their telephone

numbers without any further identification, on a separate form for the lucky draw (Malaviya *et al.*, 2001:116). There was no possibility that these entries could be linked to specific completed questionnaires.

Questionnaires were completed under supervision of the researcher and/or assistants who were present in the store at the time, but without interference to ensure truthful response (Eldabi *et al.*, 2002:65; Martins *et al.*, 1996:215-221). When a couple agreed to participate, they were allowed to discuss the questions. In most cases one of the couple took responsibility for the task and in which case the individual who completed the questionnaire filled in his/her details in the section on demographic data.

3.6.1.5 Data analysis

The questionnaire provided quantifiable data that could be analysed and interpreted to describe customers' perception of SQ in the appliance sales departments of selected retail stores, customers' satisfaction with CS *per se* and their satisfaction with the specific elements of the service offering and to investigate relationships between such judgements and specific demographic data as an example of the judgement in an emerging economy. The outcome of knowledge tests was supposed to explicate/confirm SQ and CS judgements or to identify shortcomings in the service offering.

Section A contained the SERVQUAL scale. To ascertain the fit of the dimensions of the scale in the context of this research and to confirm the relevance and the reliability of the scale that was used in a country that reflects a combination and representation of third world as well as more sophisticated first world characteristics that might affect SQ judgements, the 28 items that represent various attributes of SQ were subjected to exploratory factor analysis using squared multiple correlations as initial communality estimates with direct oblimin rotation. Factor analysis revealed the dimensionality of the scale in the context of this research and provided an opportunity to compute construct reliabilities (Cronbach alphas). The descriptive statistics (means and standard deviations) obtained for the items in the proposed SERVQUAL scale in the context of this research are presented in Table 4.3.

Section B dealt with CS in terms of the tangible evidence of the service offering and consisted of 30 items that equally related to six elements of the marketing mix as presented in literature. The same statistical procedures that were applied to section A data, were implemented to explore and identify the elements of CS in the context of this research and to compute construct reliabilities. The descriptive statistics (means and standard deviations) obtained for the items in the proposed CS scale in the context of this research are presented in Table 4.1.

Consumers' product knowledge for the various appliances was calculated using descriptive statistics: percentages, means. Means and standard deviations are presented in Table 4.9. ANOVA was done to investigate a possible relationship between consumers' product knowledge and specific demographic variables, that is, *gender, age and years of product experience in their own households as well as difficulty expressed in making buying decisions* (Babbie & Mouton, 2001:475).

3.6.1.6 Strategies to eliminate error

The entire survey was planned in advance to enable conditional inter-subjectivity and to anticipate potential problems (Stenbacka, 2001:552). A professional statistician was used to capture and analyse data correctly according to the objectives of this study, thereby ensuring inferential validity.

To ensure *theoretical validity*, a thorough review of literature was done to define, clarify and understand the key concepts pertaining to CS, SQ and consumer satisfaction before the measuring instrument was compiled.

Structural validity was assured by recruiting only willing participants for the sample and by recruiting only those customers who actually concluded a purchase from the store on a specific day.

Consumers completed the questionnaires in the various stores immediately after closure of their sales deals. They were therefore contextualised to the

environment, which enhances the reliability of the data (McDaniel & Gates, 2004:36-37).

Because respondents were willing, their responses were believed to be honest and trustworthy.

Three hundred respondents were recruited, which compares favourably with sample sizes of similar studies (N=227) (Dabholkar *et al.*, 1996:9).

Customers were recruited in the selected retail stores and therefore it can be concluded that the sample is representative of the retailers' target market.

Internal validity was established by the close interaction with the real phenomenon, namely the customers in the retail stores at point of purchase (Gummesson, 2002:328; Hughes, 2006:118). Personal contact with customers who acted as respondents and the opportunity to explain the objectives of the research as well as the tasks at hand in person, enhanced the truthfulness and validity of the data.

To enhance the credibility and objectivity of interpretation of information, on-site interaction between the researcher and assistants occurred. A proper debriefing with the researcher was done after every store visit to discuss the research procedures, the data collection procedures and the strategies for the subsequent sessions. Possible conscious and non-conscious biases of the researcher in the selection of respondents were thus avoided (Babbie & Mouton, 2001:278).

Inferential validity was assured by appointing a professional statistician to monitor the data collection process and to capture and analyse the data correctly. The statistician monitored the researcher's interpretation of data, conclusions and application of data in terms of the larger population (Marshall & Rossman, 1989 in Eldabi *et al.*, 2002:65). The transferability of the findings to other contexts, that is, other emerging economies, is a concern. The findings

can however be useful for directing follow-up studies in similar contexts elsewhere.

3.6.2 Phase 2: Observational survey of the in-store environments

3.6.2.1 Sample and sampling

Contact with the selected stores was made through liaison with the industry. Appointments were made with the managers of the various stores, during which the researcher explained the objectives of the study as well as research procedures. Store managers were assured that findings would be presented anonymous so that stores would not be identifiable. The researcher also assured them that the findings would not be used to discriminate between stores publicly. Stores agreed to participate on the condition that the findings of the research would be shared with them. In some cases consent to speak to the customers in the stores had to be *obtained* from the store's head office. Eventually all stores allowed the researcher to proceed with data collection and weekly visits were planned well in advance.

3.6.2.2 Measuring instrument

A score sheet was designed to evaluate the in-store presentation of six elements of CS (products, price, physical environment, personnel, processes and promotion) (Appendix 2). The content was based on the literature: ten questions were formulated to investigate the presentation of each of the elements. Scores for the items contained in the score sheet were obtained from a three-point Likert-type scale that ranged between a maximum score of 3 to the lowest score of 1. The descriptors that were used to indicate the intervals on the scales were chosen after consultation with personnel. In all instances a score of 3 indicated the commendable situation; 2 indicated an average or mediocre presentation and the minimum score of 1 indicated that the particular aspect was presented poorly. The score sheet served as a tool for objectively evaluating the visibility/presence of the various elements of CS in the stores by the store manager in the presence of the researcher. The score sheet was designed from scratch because nothing suitable of the kind could be found in literature. Although some researchers such as John Rossiter (Key note address, Latin American ACR conference, 2008) are in favour of single

item indexes, multiple index scale was designed to unequivocally describe the various constructs. The researcher included ten statements per element of CS after a scrutiny of the definitions and literature, in an attempt to enhance the validity of the judgement.

3.6.2.3 Data collection

The researcher met the managers of one of each of the selected stores by appointment to assist with the completion of the evaluation form (Appendix 2) (Martins *et al.*, 1996:215-221). A manager or designated senior salesperson accompanied the researcher through the household appliance department to complete the survey. To ensure objectivity, the questions on the score sheet were put to the accompanying representative of the store and the answers were taken down by the researcher. In each store, each of the six elements of CS (products, price, physical environment, personnel, processes and promotion) was evaluated according to the items listed on the evaluation form and scored. The researcher did not comment on the representative's answers, nor did the researcher make any suggestions for changing any of the indicators. On completion of the exercise the outcome of the scoring was not discussed.

3.6.2.4 Data analysis

Descriptive statistics were used to present frequencies, percentages and means in table format (Babbie & Mouton, 2001:433). Stores were numbered from 1 to 5 instead of disclosing their actual identities in the presentation of results. A data matrix was drawn: each horizontal row represented a store while the elements of CS (*products, price, physical environment, personnel, processes and promotion*) were presented in the vertical columns. Each cell therefore represented the value of the specific item for the store. Based on this matrix, a store's attention to a specific element was quantified and revealed.

It was assumed that neglect of an item by all the stores would indicate a general shortcoming/gap in CS that required attention to augment CS in general. Scores for the same item would on the other hand expose differences in the excellence of the various elements of CS for the various stores.

The systems perspective postulates that the interrelationship of the various elements of CS influences CS per se. This suggests that shortcomings in terms of certain elements of CS can be negated by the positive judgements of other elements of CS so that consumers' judgements of CS in its integrated form may not necessarily be negative and may not necessarily result in disloyalty towards that store (Whitchurch & Constantine, 1992:328). This phase of the research provided the opportunity to identify specific shortcomings in the CS offering of a store, and in retail, if any.

3.6.2.5 Strategies to eliminate error

Content validity was ensured through a thorough scrutiny of literature for the purpose of finalising the checklist. Techniques for increasing the credibility of the study during data collection included prolonged engagement, well-organised personal contact with the stores by the researcher, persistent observation of consumers and salespeople in the various stores as well as triangulation through use of various data collection methods.

To reach structural validity, five similar retail contexts were involved in the research project and the researcher spent enough time in each context to develop an understanding of daily activities and the stores' day-to-day offering of CS.

Internal validity was established through close interaction with the real phenomenon, that is, through the researcher's personal contact and interaction with the stores and the salespeople (Gummesson, 2002:328; Hughes, 2006:118).

3.6.3 Phase 3: Salespeople's judgement of CS through a projective technique

3.6.3.1 Sample and sampling

Purposive sampling was used to sample salespeople in the household appliance departments of five selected stores (one of each of the participating channels). The researcher aimed to involve as many salespeople as possible to maximise data, to increase the trustworthiness of data and to reduce error (Babbie & Mouton, 2001:166). Most of the stores only had two or three salespeople in the respective departments, except for one store that had five permanently employed salespeople. All willing salespeople, in all the participating stores, who were involved in appliance sales on a daily basis and who had been employed for at least twelve months in that capacity, were invited to participate in phase 2 of the data collection process, that is, completion of a projective technique (Leedy, 1997:214; Walliman, 2004:276). Eighteen sales people eventually participated.

3.6.3.2 Measuring instrument

Qualitative techniques enable a researcher to enter into the private worlds of participants to uncover their inner perspectives on an issue/topic. It was very difficult to organise panel/focus group discussions with sales personnel because they were occupied and not available to participate as a group during store hours and they were reluctant to cooperate after hours as their working hours were very long (Gothan & Erasmus, 2003:8). A qualitative method, namely a projective technique, was chosen as the most suitable method to elicit salespeople's thoughts concerning the CS in the stores where they were appointed. This technique provided each participant with an opportunity to disclose ideas in private, in their own time, in a non-threatening manner (Donoghue, 2000:47). Sales personnel who were willing to participate were assured that their comments would remain anonymous.

Willing participants received a task in written format and were asked to complete it in their own time at home. The task required them to project

themselves into a managing capacity in the same store where they were employed and to base their recommendations on how to augment CS in that particular store on their personal interpretation of the existing service offering. They were instructed to make recommendations so that the service offering would benefit all the customers of the store, including those with limited experience in order to ensure customer satisfaction and to enhance the probability that, after an in-store encounter, consumers would conclude informed, responsible buying decisions. The content of the written assignment (Appendix 3) was formulated as follows:

“Imagine that you have been appointed as the manager of a similar department in another branch of this store. You have been told that customers are not very happy with the Customer Service offered. Describe and explain possible reasons for their dissatisfaction and describe how the manager should improve the Customer Service offering in order to assist customers in making informed responsible buying decisions. Describe your recommendations in as much detail as possible”.

(Minimum 300 words)

3.6.3.3 Data collection

The researcher handed the task in written format to every salesperson and explained what was expected of them. Participants were allowed to complete the task in their own time at home, as they found it difficult to concentrate on the assignment while they were on duty and had to deal with customers and other responsibilities simultaneously. Participants were asked not to discuss their views or the task with colleagues. The researcher collected the completed assignments a few days later. All eighteen assignments that were handed out, were completed and collected in time.

3.6.3.4 Data analysis

The analysis of qualitative data is described as being more explicitly interpretative, creative and personal, but still systematic and careful (Sandelowski & Barosso, 2003:905; Stenbacka, 2001:553; Leedy, 1997:162).

Content analysis was done through open coding of the content of each of the written responses (Babbie & Mouton, 2001:491) with the intention of identifying relevant constructs, that is, reference to the six elements of CS (*people, processes, product, physical surroundings, price, and promotions*). AtlasTi, a computer program for visual qualitative data analysis, management and theory building (Version WIN 4.2) was used. Open codes were created as coding progressed and text was attached to the different codes throughout. The text allocated to the different codes (elements) was then grouped and families were organised and coded to distinguish items that belonged together. Links between segments of text were created, as well as visual images of data. Frequencies of the attributes of different elements of CS were clearly revealed through the coded text (Babbie & Mouton, 1998:191; Northcut & McCoy, 2004:xxiii). A diagram was consequently drawn from the data by AtlasTi to distinguish the elements of CS that were identified by participants. The diagram visually integrated participants' suggestions and recommendations relating to critique of existing service offerings as well as suggestions that could in any way contribute to augmented CS. The coherent interpretation was later used to make recommendations within the assumptions of a systems approach.

This exercise enabled a discrimination of specific elements of CS in terms of their relevance and importance (hierarchy) as observed in existing service offerings and recommendations made by the participants (experienced sales people) who are regarded as prominent role players during a sales encounter in the retail environment (Northcutt & McCoy, 2004:xxiii).

3.6.3.5 Strategies to eliminate error

All salespeople who complied with the criteria of selling household appliances on a daily basis in the selected retail stores and who had been employed for at least twelve months in that capacity were asked to participate in this exercise. This ensured the contextualisation of participants, thereby increasing the reliability of the study (McDaniel & Gates, 2004:36-37). All eighteen salespeople of the five selected stores that were invited to participate eventually made contributions. This represents a good construction of the reality and can therefore be regarded as adequate and trustworthy (Payne & Williams,

2005:297; Wallendorf & Belk, 1989:71). The researcher visited the stores in person and contacted the salespeople directly with the permission and cooperation of their managers (Gummesson, 2002:328; Hughes, 2006:118).

A combination of qualitative (projective techniques) and quantitative data collection techniques (survey) was implemented to investigate the service offering in the in-store environment.

By including interviews with representatives from industry as a final stage, the method provided opportunity for triangulation to increase the trustworthiness of the data (Babbie & Mouton, 2001:76, 92; Eldabi *et al.*, 2002:66).

Conditional inter-subjectivity was assured by striving for a good quality qualitative approach: the researcher did not interfere with responses to the in-store survey, nor did she assist with the completion of the projective technique. Throughout the research, the researcher kept an open mind in terms of changes to selected procedures if the situation merited such (Stenbacka, 2001:552).

3.6.4 Phase 4: Interviews with industry to investigate their concerns about CS

3.6.4.1 Sample and sampling

Industry, that is, the distributors of the various brands of household appliances in RSA, was contacted with the intention of obtaining their views about CS in retail and discussing their concerns about consumer facilitation and informed consumer decision making. Sampling was purposefully done to involve representatives of the brands that are commonly sold in the selected retail channels with the assistance of ECR (Efficient Consumer Response, a body that represents the interests of major retailers in RSA). A precondition was that the representative people interviewed had to be well informed about the CS in the various department stores that were involved in the research project (Leedy, 1997:214; Walliman, 2004:276). Four representatives of major companies were willing to grant interviews, that is, representatives of Bosch SA; Defy SA, LG and Whirlpool SA. Interviews were done personally or telephonically in cases where

the relevant representatives were not available upon appointment or who were situated elsewhere in the country. Interviews were done by appointment.

3.6.4.2 Measuring instruments

Semi-structured interviews that contained questions based on the findings of the three fore going phases of the research project were designed (Appendix 4) to direct the discussions and to keep discussions brief and specific (Botha, 2001:13; Fontana & Frey, 1994:366-369; Kvale, 1996:103). The prompts evolved around CS, SQ and consumers' product knowledge, the main constructs of this study (De Ruyter & Scholl, 1998:12; Ritchie, 2005:131). Problems that came to the fore in the findings of phases 1 to 3 formed the basis for reflection and stimulation of industry's opinion, especially in terms of ways to augment CS and to enhance SQ to a level that not only induces customer satisfaction that would benefit retail and industry, but also supports informed responsible buying decisions. The interview schedule is presented in Appendix 4.

3.6.4.3 Data collection

Appointments were made with specific representatives of industry. Participants' approval for the recording of the interviews was secured first to ensure fluent discussions. Interviews lasted between 30 and 45 minutes. In one instance, due to time limitations, the interview was replaced with a pre arranged electronic questionnaire that contained the open questions. The individual consequently reacted to the questions in a telephonic interview.

3.6.4.4 Data analysis

Interviews were transcribed. Content analysis was done and concepts were coded by hand in terms of content that referred to the relevant constructs, that is, the elements of CS (*products, price, physical environment, personnel, processes and promotion*). The four transcripts were then analysed to identify agreement, disparity and exclusive suggestions by the different parties which could contribute to a conclusive suggestion for the way CS could be augmented to enhance informed, responsible buying decisions. An index of

suggestions made by industry, formulated in terms of the elements of CS elements was constructed (Babbie & Mouton, 2001:139).

3.6.4.5 Strategies to eliminate error

Theoretical validity was reached through a review of the available literature to define the key concepts pertaining to CS, SQ and consumers' buying decisions to guide the questions used during the interview. These concepts were thoroughly researched to ensure a proper understanding of the offering and presentation of CS and SQ, as well as problems in this regard that are unique to the context of this research and that could be regarded as relevant in emerging economies. Participants were selected carefully to ensure that they were fully informed about the service offering and the related problems in retail stores. The selection of participants was crucial to prevent deception, evasions, misinformation and misrepresentations in the research (Wallendorf & Belk, 1989:71).

3.7 GENERALISATION OF THE FINDINGS

The generalisation of findings beyond the confines of this research is determined by external validity issues, such as the implementation of a carefully premeditated research design (which was done) and a research methodology that includes triangulation, that is, a combination of data collection techniques that was intentionally included in the four-phased research design.

Generalisation of the findings is, however, restricted to the context of appliance sales departments in major retail stores in an emerging economy such as South Africa. The findings cannot be related to other departments in the same retail outlets as household technology poses specific challenges that may not be associated with all types of merchandise; for example clothing which involves fit and exclusivity or foods that involve hygiene and freshness. Transferability was established by the involvement of multiple retail stores to avoid bias.

The pretence of exact replication is not offered, because any control over the research setting (especially the qualitative phases) would destroy the interaction of variables and affect the underlying philosophy of this research (Eldabi *et al.*, 2002:66; De Ruyter & Schol, 1998:12). The researcher did however attempt to exclude external intervening factors and tried to secure reliable responses as far as possible. Reliability of the research assumes the possibility of an exact repetition, which does unfortunately not fit with the scenario where human beings as a dynamic and subjectively shaped phenomenon are studied.

Findings can similarly not be related to other types of retail outlets such as specialisation stores, because a major retail outlet has to maintain a specific image and target market-related strategies that differ significantly from those of specialisation stores that only focus on specific types of merchandise and usually another target market.

The findings of this research may however disclose problem areas that could be investigated in different contexts.



Chapter 4

RESULTS

This chapter presents the findings in terms of the different phases of the research and interpretations are made in accordance with the objectives of the study.

4.1 DEMOGRAPHIC INFORMATION OF THE SAMPLE

4.1.1 Sample

The sampling process was purposive. All customers who concluded a purchase in one of the branches of five selected retail channels in Tshwane, South Africa on the specific days of data collection were approached for participation. The different stores were situated in a radius of 30 km, including three stores in a predominant black township, i.e. Soshanguve. The selected stores therefore involved consumers from different socio-economic areas and the researcher consequently assumed that these respondents would represent the typical customer profile of those who patronize department stores for appliance purchases. All willing customers who completed the questionnaires were included in the sample.

Of the 331 questionnaires that were gathered in the various stores over a period of two months, 35 unfortunately had to be discarded because they were incomplete in terms of one or more of the sections that were essential in terms of the statistical analysis (i.e. the section on judgement of Service Quality and/or the judgement of Customer Service). A data set of 296 completed questionnaires was used for further analysis. This was considered acceptable, knowing that the SERVQUAL scale of Dabholkar *et al.*, (1996) was based on a

sample size of 227 while other studies on SQ judgement also involved less than 300 respondents.

4.1.2 Gender of respondents

The sample included 201 female and 93 male customers (the original study of Dabholkar involved 227 participants of which only 27 were male). A predominant representation of female respondents may either indicate that females are more involved in the actual buying process of household appliances than men or that the decision was discussed with the spouse or partner and that the final decision in the store was left to be the responsibility of either of the partners. The number of men included was considered substantial in terms of data analysis. Involvement and participation in decision-making by couples is expected in the buying process of complex, expensive and durable products like household appliances with a relative long service life expectancy and which are used by more members of the family (Asseal, 1992:467-470; Du Plessis *et al.*, 1995:177; Hawkins *et al.*, 1995:201-203). This research however focused on the judgement of individuals that visited the store on the particular day and who were willing to share their perceptions about the service offering in the store.

4.1.3 Age of respondents

Respondents' ages varied from 17 to 72 years (Figure 4.1). The 17 to 25 year old group (n=47; 15.9%) indicated that they came to purchase appliances as a gift, or they were first time buyers for their own apartments. The 26 to 35 year old group (n=75; 25.3%) was assumed to include first time buyers as well as consumers with limited personal experience with this purchasing task (Schiffman & Kanuk, 2007:36); groups between 36 and 45 years (n=100; 33.8%) and 46 to 60 years (n=65; 22.0%) were expected to be progressively more experienced, confident and resourceful as a result of more extensive exposure to retail and to personal experience over the years, unless previous circumstances involved limited exposure and experience with appliances (Erasmus *et al.*, 2005:91). Only seven respondents (2.4%) were older than 60 years and they mainly came to the store to make replacement purchases. Two individuals (0.6%) preferred

not to disclose their age. The age distribution of the sample showed a good distribution across different age categories for the purpose of comparative statistics.

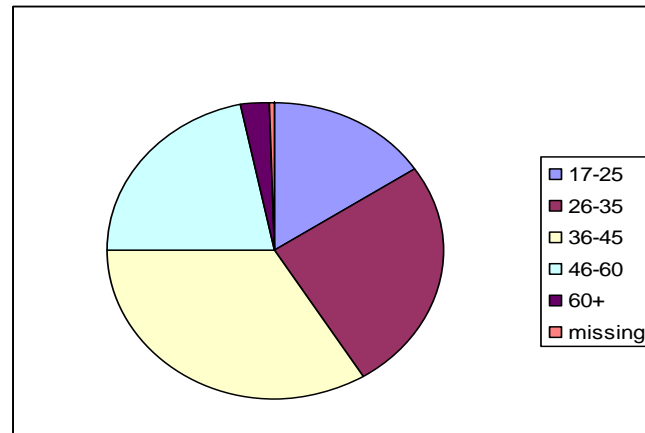


FIGURE 4.1 AGE CATEGORIES OF RESPONDENTS

4.1.4 Respondents' personal experience with appliances

Respondents (N=296) were grouped in terms of *personal experience with appliances in their households*, assuming that individuals with more extensive experience would be more knowledgeable about the characteristics of appliances and had the potential to be more outspoken about a store's service offering during the buying encounter: 35 respondents (11.8%) had less than two years experience; 70 (23.6%) had 3 to 8 years; 80 (27.0%) had 9 to 15 years; 62 (20.9%) had 16 to 25 years while 46 (15.5%) indicated that they had more than 25 years experience with appliances in their own households. Respondents with more than 15 years experience, (n=108; 36.4%), were expected to mostly make replacement purchases (LeBlanc, 1998:1), either because appliances have served their expected service life, or to upgrade to more sophisticated models that reflect the latest technology (Fernandez, 2001:303; Morelli, 2001:4; Weiss & Gross, 1995:2). Unfortunately consumers in lower income groups often also find it easier to replace an appliance that has broken down rather than to have appliances repaired because they can then use a credit system to afford the transaction while repairs have to be paid for in cash (Erasmus *et al.*, 2005:97).

Despite the 11.8% young, inexperienced consumers that were included in the sample, the majority were expected to have the potential to be sceptical of the customer service and to demonstrate the ability to indicate shortcomings in retail stores' service offering (John, 1999:3; McGregor, 2001:1). Consumers develop structural-, symbolic and transactional knowledge over time through consumer socialization when exposed to shopping transactions (John, 1999:13). The age distribution of respondents and the size of the sample indicated that it would be possible to deduce certain interpretations of CS and SQ in the research.

4.2 CONSUMERS' SATISFACTION WITH CUSTOMER SERVICE AFTER A SALES ENCOUNTER

Customers' judgement of the service offering in the appliance departments in selected, prominent retail stores was investigated by means of two scales. Firstly the respondents rated their satisfaction with CS, i.e. a listing of tangible elements of the service offering. This scale was based on a scale designed by Marx and Erasmus (2006), which was previously used to evaluate the CS in supermarkets in Tshwane RSA. The reliability coefficients for the three elements/factors of CS that were identified through this specific scale, were 0.81; 0,80 and 0.79 respectively. By focusing on tangible elements of the service offering that were easily identifiable, it was hoped that customers would find easier to discriminate shortcomings in the service delivery

4.2.1 A proposed factor structure for customer service

Apart from describing respondents' judgement of CS on the integrated level, this research aimed to elaborate on CS at the factor level, i.e. in terms of the various elements of the service offering to ultimately identify potential shortcomings. Data was thus subjected to exploratory factor analysis using squared multiple correlations and repeated rotation. Factor analysis is particularly useful in the context of measure development, as it enables an assessment of the dimensionality of multi-item scales (Diamantopoulos & Schlegelmilch, 1997:216). The six elements and the 30 items of CS contained in

the scale referred to tangible evidence of the service offering and were based on literature. Exploratory factor analysis was done to identify the relevant dimensions of the CS scale: it was preferred over confirmatory factor analysis to provide opportunity for an explication in the context of this research, not necessarily assuming that the elements/factors would be identical to those identified in a supermarket setting. Table 4.1 reveals the findings.

TABLE 4.1: ROTATED FACTOR LOADINGS FOR THE ELEMENTS OF CUSTOMER SERVICE IDENTIFIED THROUGH FACTOR ANALYSIS (N=296)

Attribute/ descriptor	Personnel	Processes and Value for money	Product presentation
Knowledge of salespeople	0.873	0.015	-0.102
Friendliness/approachability of sales people	0.808	-0.052	0.040
Availability of salespeople	0.738	0.006	0.106
Speedy handling of transactions	0.646	0.122	-0.058
Visual appearance/image of salespeople	0.439	0.075	0.209
Availability of advertised products	0.361	0.223	0.075
Quality control of products before dispatch	-0.034	0.834	-0.120
Quality of products	0.019	0.788	-0.021
Price structures are clearly indicated	0.017	0.583	0.126
Enough space to investigate appliances with ease	0.069	0.539	0.197
Safety of the area/ environment	0.094	0.402	0.150
Prices compare well to those in other stores	0.073	0.361	0.141
Prices in the store coincide with advertised prices	0.176	0.320	0.069
Presentation/displays of appliances	-0.083	-0.001	0.861
Ease of collection of appliances	-0.054	0.059	0.717
Availability of manuals for appliances	0.104	0.001	0.636
Indication of location of appliances in the store	0.251	0.020	0.455
In-store promotions or demonstration of appliances	0.148	0.264	0.403
Availability of new and interesting products	0.249	0.124	0.401
Availability of models/ brands in different price ranges	0.164	0.253	0.331
% Variance explained	42.6	4.3	2.5
Cronbach Alpha	0.87	0.84	0.86
Mean	4.01	4.03	3.79
Standard Deviation	0.71	0.61	0.75

Contrary to the initial scale, only three distinct elements of CS instead of six could be confirmed after exploratory factor analysis. These three elements contain six (Element 1), seven (Element 2) and seven (Element 3) attributes respectively and are presented in Table 4.1 to reveal the rotated factor loading matrices and alpha values for the three dimensional scale. The elements were labelled to reflect the coherent meaning of their respective attributes. Element 1, *Personnel*, refers to the appearance, friendliness, demonstration of product knowledge and the ability of personnel to perform transactions fast and

efficiently. The inclusion of the attribute “*availability of advertised products*” may indicate that sales personnel are held accountable. Descriptors of the element, *Processes and Value for money*, refer to price and quality related attributes such as comprehensible price structures, supply and control of product quality. Reference to a safe, spacious in store environment may indicate that value for money not necessarily excludes a pleasant environment. The third element, *Product presentation*, refers to the availability of new and interesting products/appliances in different price categories that are displayed attractively, supported with manuals, given the assurance that appliances would be available and delivered promptly.

Figures in the table are aligned to distinguish scores in terms of their relevance to the specific elements. The Cronbach Alpha coefficients for the three elements (0.87; 0.84, and 0.86 respectively) suggest acceptable levels of reliability (Internet: SPSS FAQ What does Cronbach's Alpha mean:3).

Attributes were judged on a five point Likert-type scale (5:Highly satisfied; 4:Satisfied; 3:Uncertain; 2:Somewhat satisfied; 1:Highly dissatisfied). Considering a maximum possible mean of 5.0 for each of the elements of CS, means of 4.01; 4.03 and 3.79 for the respective elements of CS suggest an above average positive judgement, i.e. that consumers were satisfied with all three elements of CS in appliance departments in retail stores. Retailers would probably find findings of the kind comforting and make an “informed” assumption that, regarding the service offering in appliance departments of retail stores, they have little to improve on. Although neither of the elements was judged *highly satisfactory*, findings for all three elements indicate consumer satisfaction.

The systems theory postulates that the elements of CS are interrelated and interdependent in terms of a consumers' judgement of CS, but the elements of CS are not necessarily all of equal importance. This is demonstrated through a reduction and reorganization of the original six elements of CS that were identified in literature (*Product, Price, Place, Personnel, Processes, Promotions*) to only three elements in the context of this research, which reflects a specific appliance category in department stores in an emerging economy. One of the original elements of CS that did not manifest clearly in the revised scale, is

Promotions: descriptors of this construct are in fact included as denominators of two different elements in the new scale, i.e. *Value for money* and *Product presentation*. Similarly *Price* did not manifest as an individual element, it is now offered along with descriptors that signify *Value for money*, which indicates a sense of vulnerability or price sensitivity. The fact that *Place* could also not be distinguished as a clearly defined element of CS may be ascribed to the similarity of the relevant departments of the various channels as explained in the selection of the participating stores.

Within the systems perspective, it is postulated that consumers would judge a store's service offering on the factor level, i.e. in terms of the individual elements of CS (in this research a positive judgement was concluded for all three elements of CS) as well as a judgement of CS on the integrated level where shortcomings of one element of CS can possibly be negated by positive judgements of the others or *visa versa*. In this research, all three judgements on the factor level were positive and within the same judgement range

4.2.2 The relationship between specific influencing factors and consumers' satisfaction with CS

Possible differences in consumers' judgement of CS by specific variables, i.e. *gender; years of experience with appliances and difficulty encountered during the buying process* were investigated. Analysis of variance (ANOVA) was used to investigate a possible relationship between each of the three elements of CS and the gender of respondents; years of experience with appliances as well as how easy they perceived the buying decision to be.

Findings are presented in Table 4.2.

TABLE 4.2: THE RELATIONSHIP BETWEEN SPECIFIC FACTORS AND CUSTOMERS' SATISFACTION WITH CS (N=292)

	Sales personnel				Processes and Value for Money				Product presentation			
	Gender				Gender				Gender			
	Mean	SD	F value	Pr>F*	Mean	SD	F value	Pr>F*	Mean	SD	F value	Pr>F*
Male (n=93)	4.05	0.77	0.24	0.62	4.04	0.69	0.17	0.68	3.89	0.80	0.16	0.69
Female (n=199)	4.01	0.66			4.02	0.57			3.75	0.72		
	Years of experience				Years of experience				Years of experience			
	Mean	SD	F value	Pr>F*	Mean	SD	F value	Pr>F*	Mean	SD	F value	Pr>F*
0 to 2 (n=35)	4.17 ^a	0.82	2.68	0.03	4.22 ^a	0.58	3.05	0.02	4.11 ^a	0.70	3.66	0.01
3 to 8 (n=70)	4.00 ^a	0.79			4.07 ^a	0.70			3.96 ^a	0.73		
9 to 15 (n=80)	4.08 ^a	0.64			4.04 ^a	0.50			3.58 ^b	0.76		
16 to 25 (n=69)	4.05 ^a	0.57			4.00 ^a	0.60			3.85 ^a	0.72		
26 + (n=38)	3.73 ^b	0.65			3.77 ^b	0.61			3.55 ^b	0.71		
	Difficulty of the decision				Difficulty of the decision				Difficulty of the decision			
	Mean	SD	F value	Pr>F*	Mean	SD	F value	Pr>F*	Mean	SD	F value	Pr>F*
Difficult (n=30)	3.98 ^a	0.58	1.71	0.18	3.91 ^a	0.50	1.75	0.18	3.67 ^a	0.55	7.61	0.00
Neutral (n=122)	3.98 ^a	0.65			3.98 ^a	0.54			3.61 ^a	0.72		
Easy (n=140)	4.06 ^a	0.76			4.09 ^a	0.68			3.99 ^b	0.77		

Different super scripts indicate significant differences on a 5% level of significance

No significant relationship between *gender* and respondents' judgement of any of the three dimensions of CS (Table 4.2) was confirmed.

Years of experience with appliances in their own household however seem to have a significant inverse relationship with consumers' judgement of CS: consumers with more than 25 years experience were significantly less satisfied with *Personnel* (Element 1) than the other groups ($p \leq 0.05$). The same applied to *Processes and Value for money* (Element 2) ($p \leq 0.02$). In terms of *Product presentation* (Element 3), respondents with 9 to 15 years experience as well as those with more than 25 years experience were significantly less satisfied ($p \leq 0.01$). Means therefore indicate that consumers who have more extensive experience are less satisfied with all the elements of CS. This is also evident when judging means for the various age categories on face value only:

although differences in the means are not statistically significant, there is a noticeable decline in customers' satisfaction with CS as experience increases.

Respondents that indicated that it was *easy to conclude the buying decision* were significantly less satisfied with *Product presentation* (Element 3). This may indicate that consumers who are more confident, are also more sceptical and expect more in terms of how appliances are displayed and presented in the store. This is particularly noteworthy because any improvement in this regard would inevitably also benefit other consumers who not necessarily realize what they are missing out on. Respondents were also requested to indicate how easy/ difficult they thought it was to conclude a buying decision in a single item question on a 5-point Smiley scale (1: Very difficult to 5: Very easy). Only 10.5% (n=31) indicated that it was *Difficult to Very difficult* to buy the appliances. Almost half of the respondents (n=141; 47.8%) declared that it was *Easy to Very easy* to make the buying decision. The hesitance of 123 respondents (48.2%) who were indifferent, i.e. could not decide whether it was an easy or difficult task, could not unequivocally indicate that it was easy to conclude the task and are therefore noted in conjunction with respondents who perceived the task to be difficult. Various reasons may be offered for their hesitance to indicate whether the task was easy or not, but ultimately the service offering should have alleviated consumers' concerns. The complexity of purchasing major electrical household appliances often confuses consumers and complicates the decision making process (Du Plessis & Rousseau, 2003:82-83). Consumers do not necessarily feel capable of evaluating the characteristics of the variety of appliances that are available (Erasmus *et al.*, 2002:76; Wingo, 1996:177). Due to the relative long expected service life of these durable products and the price involved, consumers will probably experience cognitive dissonance immediately after the purchase and this could contribute to uncertainty when asked to indicate whether the task was easy or not.

4.3 CONSUMERS' PERCEPTION OF THE SERVICE QUALITY OF RETAIL STORES

An investigation of consumers' satisfaction with CS involved a judgement of retail stores' service offering in terms of tangible elements of CS, i.e. aspects

that were clearly identifiable and comprehensible. Literature however indicates that when the service offering of retail stores is investigated, it is generally done in terms of Service Quality, i.e. a SERVQUAL scale that predominantly focuses on intangible denominators that serve as an indication of how the service offering is perceived by customers. This measurement was consequently also included in the research to ascertain whether customers' judgement of SQ in terms of more intangible aspects would indeed differ when compared to a judgement of tangible evidence of CS. The notion was that a judgement of SQ might produce more favourable responses because (as suggested by Malhotra, 1994), consumers in emerging economies apparently tend to judge services differently and seem to be more tolerant and forgiving of poor service delivery.

4.3.1 Verification of a SERVQUAL scale in the context of this research

Respondents judged the SQ of the same departments in a separate section of the questionnaire according to a SERVQUAL scale (designed by Dabholkar *et al.*, 1996) that has been used extensively in SQ research in the past. Contrary to the CS scale discussed in the previous section, the elements of the SERVQUAL scale mostly refer to intangible evidence, i.e. one's perception of the service experienced in the store. According to literature, consumers in emerging economies are more tolerant of poor services. It was thus expected that this particular judgement might not clearly indicate shortcomings in the service offering. The SERVQUAL scale of Dabholkar *et al.* (1996) was preferred for inclusion in the questionnaire because of the scale's focus on environments where a mixture of services is offered. The original scale contains five dimensions. To ascertain the relevance and the reliability of the scale in the context of this research that was performed in a country that reflects a combination and representation of third world as well as more sophisticated first world characteristics, the 28 items in the scale that represent various attributes of SQ were subjected to exploratory factor analysis.

Using squared multiple correlations as initial communality estimates with direct oblimin rotation (N=296), an oblique rotation produced a factor-loading matrix that still contained several factors with high loadings on more than one factor.

These factors were removed from the factor-loading matrix, resulting in near-zero correlations between some of the remaining items. This suggested a reduction in the presumed dimensionality of the service-quality domain. As the highest loadings of a few of the remaining items were on factors to which they were not originally assigned, a reassignment of some items was considered. The deletion of certain items, the resultant reduction in the total number of factors and the reassignment of certain others necessitated the recompilation of alphas and item-to-total correlations and the re-examination of the factor structure of the reduced item pool. After this was done repeatedly, a final pool of 25 items remained, which represented only two distinct dimensions **instead** of the original five. Twelve attributes loaded high on the first construct and thirteen on the second construct. The rotated factor loading matrices and alpha values pertaining to the 25-item instrument are summarized in Table 4.3.

The collapse of the five dimensional SERVQUAL scale to two dimensions correlates with findings of other researchers such as Yap and Sweeney (2007:4) who found little support for the five-factor structure of SERVQUAL. There has also been support among other authors for two dimensions, i.e. Mels *et al.*, (1997), Harrison-Walker (2001), Gotlieb *et al.*, (1994) and Wakefield and Blodgett (1999). The dimensions are distinguished in terms of intrinsic/ interactive quality, which describes the human interaction component of service delivery. The second dimension involves extrinsic quality, which includes some tangible aspects of the service delivery. The latter is also referred to as *physical quality* (Lehtinen and Lehtinen, 1982). Various researchers agree that both dimensions play a key role in enhancing perceptions of service quality and satisfaction.

TABLE 4.3: FACTOR LOADINGS FOR THE TWO DIMENSIONS OF SQ THAT WERE IDENTIFIED THROUGH FACTOR ANALYSIS

Item	Dimension 1	Dimension 2
	Supportiveness	Impressiveness
Prompt attention are given to customers	0.973	0.156
Customers receive personal attention	0.930	0.115
Customers receive personal attention	0.930	0.115
This store keeps its promises	0.823	0.043
Salespeople behave courteous towards customers	0.760	0.097
Supplementary items create a good impression	0.755	0.027
Salespeople's' behaviour instil confidence	0.660	0.146
Transactions are dealt with correctly the first time	0.653	0.070
Customers trust their dealings with the store	0.597	0.249
Store lay out makes it easy to find appliances	0.593	0.168
Salespeople handle complaints themselves	0.484	0.273
Merchandise available when customer wants it	0.381	0.229
Neatly dressed salespeople	0.351	0.204
Salespeople have sufficient knowledge	0.074	0.675
Store willingly accepts returns and exchanges goods	0.040	0.597
Store provides convenient parking	0.128	0.590
Store provides error free sales transactions	0.048	0.586
General impression of department is visually pleasing	0.049	0.584
Store accepts most major credit cards	0.021	0.562
Operating hours of the store are convenient	0.040	0.561
Store lay out makes it easy to move around	0.113	0.531
Salespeople inform customers when services will be performed	0.003	0.520
General environment in the store is pleasing	0.106	0.502
Salespeople always willing to assist customers	0.228	0.467
The store offers enough credit options	0.126	0.463
The department gives a modern impression	0.205	0.314
% Variance explained	40.0	4.7
Cronbach Alpha	0.93	0.86
Mean	3.88	4.08
Standard Deviation	0.8	0.5

The content of the two dimensions were analyzed and labelled *Supportiveness* and *Impressiveness* to reflect the content/denominators of the respective scales. This conforms with previous researchers (Lehtinen and Lehtinen, 1982) who are in favour of two dimensions for SERVQUAL scales and suggest that one describes the *human interaction component* of service delivery (in this research: *Supportiveness*) while the second dimension involves *extrinsic quality* (in this research: *Impressiveness*), which includes some tangible aspects and the physical quality of the service delivery. The Cronbach Alpha coefficients were 0.93 for Dimension 1 (*Supportiveness*) and 0.86 for Dimension 2 (*Impressiveness*), which are above 0.70, which is acceptable in most Social

Science research (Internet: SPSS FAQ What does Cronbach's alpha mean: 3). The revised scale is therefore accepted as reliable and valid.

It is suggested that customers evaluate service quality in retail both at the attribute and the integrated level. The reduction of the elements of SQ from five to two indicates a less intricate/ detailed judgement in the context of this research. Contrary to the SERVQUAL scale of Dabholkar *et al.* (1996:7), no sub dimensions were distinguished.

The items included in the first dimension, *Supportiveness* all indicate a sensitivity for the human-orientated aspects of service quality – appearance of supplementary items, ease of finding appliances, salespeople keeping promises, transactions executed correctly the first time, merchandise that is available, confidence and trust in dealings with store, prompt attention from salespeople, personal attention, courteous salespeople, and the handling of complaints by the salespeople themselves. The dimension *Supportiveness* relates to four dimensions from the original scale (Dabholkar *et al.*, 1996), namely Reliability, Personal interaction, Problem solving and Policy. Items that pertain to Reliability (Dabholkar *et al.*, 1996:7) refer to a store that keeps its promises and secures correct transactions. Although *Personal interaction* represented a separate dimension that contained two sub-dimensions – confidence and courteousness in the original scale, this study could not confirm such discrimination. Aspects relevant to personal interaction were mostly integrated into the dimension *Supportiveness* along with aspects relating to *Problem solving*, which addressed handling of complaints and returns. The fourth dimension contained in the Dabholkar-scale is *Policy*, where the aspects relating to store organization, like convenient shopping hours and the availability of adequate parking (Dabholkar *et al.*, 1996:7) are contained. These relate to the second dimension in the new scale, i.e. *Impressiveness*. The items clearly reflect higher order expectations that are extrinsic in kind. Although the Dabholkar scale distinguishes the dimension *Physical aspects* in terms of two sub dimensions – appearance and convenience (Dabholkar *et al.*, 1996:6), such a sophisticated judgement could not be confirmed in this research. Aspects relating to physical structure, ambience, design of the departments were coherently grouped on the

higher end of the scale as contributing towards Dimension 2: *Impressiveness*. Literature suggests that customers value the convenience of shopping that physical aspects offer them, like enough space to move easily, convenient parking, convenient operating hours, acceptance of most major credit cards and enough credit options offered. This research indicated a clear distinction between attributes that involve basic requirements to make an informed buyer decision (Dimension 1: *Supportiveness*) and attributes that are inviting, encouraging and makes the buying experience more pleasurable (Dimension 2: *Impressiveness*).

4.3.2 Consumers' perception of SQ in appliance departments in retail stores

According to Geert Hofstede (1984:264) certain SQ determinants, namely competence, courtesy, communication and credibility correlate significantly with socio-cultural factors, i.e. the extent to which a society honours the unequal distribution of power in organizations and the loosely or tightly knit social framework in a society. High power distance and collectivism are therefore associated with low national wealth and individualism and small power distances with greater national wealth (Hofstede, 1984:264; Malhotra *et al.*, 1994:2). Customers in emerging economies apparently tend to have higher tolerance levels and lower quality expectations with regard to service delivery. They also tend to be generally satisfied with acceptable service performance and focus more on the core benefits offered by the company, than on added benefits (Malhotra *et al.*, 1994:7). It was therefore expected that customers of the selected department stores in South Africa would judge SQ positively.

Respondents' perception of the various items in the SQ scale was indicated on a five point Likert-type scale that included the options: Excellent (5); Good (4); Average/Fair (3); Poor (2); Unacceptable (1). Findings are presented in Table 4.3. The means for the two dimensions that were distinguished are 3.88 and 4.08 respectively. Considering a maximum of 5.0, the means suggest an above average positive judgement of the quality of service offered in terms of both dimensions of SQ in the stores. In the context of this research, the SQ is therefore perceived to be good, which suggests a service offering in

appliance departments in retail stores that mostly coincide with consumers' expectations, rather than the service necessarily being exceptional. Consumers generally make judgements within their expectations frameworks. A positive judgement could however merely indicate that consumers have limited expectations and that could leave the impression that retailers have little to improve on.

In order to verify customers' positive judgement of retail stores' service offering in appliance sales departments (both CS as well as SQ judgements were positive/good), the outcome of the product knowledge tests was investigated. This has not been done in another study before and it was intentionally included to confirm customers' assessment of the stores.

4.4 AN EVALUATION OF CONSUMERS' PRODUCT KNOWLEDGE

The researcher assumed that customers would, after their buying encounter, at least be acquainted with the basic functional and performance attributes of the appliances they purchased on the specific day because they had all the opportunity in the retail store to investigate product alternatives and to consult written matter and sales personnel in terms of information they required to conclude informed buying decisions.

4.4.1 Consumers' product knowledge with regard to selected product categories

Respondents were subjected to a product knowledge test that required of them to respond to statements on three appliances, i.e. the appliance that they purchased on the day of data collection, as well as two other appliances of their choice that they already owned and were familiar with. The knowledge test required responses to 10 items in every chosen product test in terms of TRUE, FALSE, UNCERTAIN denominators (See Appendix 1). Respondents' scores were calculated in terms of the correct answers out of a maximum of 10 for each appliance. It was assumed that respondents would be able to identify the correct answers relatively easily because they were only asked to respond to newly purchased appliances after closure of the sales deal (i.e. after an opportunity to acquire much needed product information in-store) as well as

two appliances they already owned and were experienced with. Knowledge of the appliances they came to purchase that day would give some indication of their pre purchase information search, i.e. ability to make an informed buyer decision. Detailed results of the knowledge tests are presented in Tables 4.4 to 4.8.

All the statements for dishwashers were answered incorrectly by more than 50% of the respondents (Table 4.4). Not knowing how the water is distributed in a dishwasher, what materials the appliances are manufactured of, why the heating elements are concealed and why salt is used, indicate pertinent shortcomings that should have been addressed in the store while investigating the display of different models and different brands in the store.

TABLE 4.4: RESULTS OF THE KNOWLEDGE TEST FOR DISHWASHERS¹ (n=135)

Statement that required TRUE/ FALSE/ UNCERTAIN responses	% Correct
Detergents for dishwashers are more alkaline than washing machine detergents	46
If stainless steel cutlery is washed in a dishwasher regularly, it will discolour.	22
The various washing programmes of a dishwasher require different amounts of detergent.	33
Fuzzy logic" indicates that a dishwasher will automatically select an appropriate washing programme based on the type of dishes.	34
The use of salt in a dishwasher is required for sterilization.	22
Longer washing programmes always use more water.	20
The capacity of a dishwasher is indicated in litres.	21
Dishwashers with a metallic exterior finish are made of stainless steel.	40
The drying elements of modern dishwashers are concealed to prevent electric shocks.	47
All dishwashers distribute water from two angles, namely from the bottom and the middle of the machine.	44
Mean for the scale	3.29
Variance	3.47
Standard deviation	1.86
Cronbach Alpha	0.44

Of the 296 respondents who participated in the research, n=99 indicated that they already owned dishwashers and n=35 indicated that they purchased dishwashers for the first time on the particular day. A total of 135 respondents completed the knowledge test for dishwashers. Consumers' responses to the statements indicate that less than 50% were aware of the high alkalinity of dishwasher detergents. Incorrect use of these strong detergents and incorrect dosages can cause tremendous damage to dishes and cutlery and contribute to consumer dissatisfaction. Almost 80% of the respondents did not know why salt is used in dishwashers, which means that the importance of salt in terms of stain free dishes is not understood. It is alarming that less than 50% of the respondents were informed about the water distribution in dishwashers and that they were uninformed about reasons for the positioning of the water spouts and the heating element. Responses indicate likelihood that the majority of owners use dishwashers incorrectly. Apart from disappointing the owners, this could ruin the reputation of the brands because consumers who are unaware of the facts would highly unlikely take the blame for poor performance upon themselves.

¹ Shaded areas in Tables 4.4 to 4.8 represent the correct answers.

TABLE 4.5: RESULTS OF THE KNOWLEDGE TEST FOR FRIDGE FREEZERS (n=242)

Statement that required TRUE/ FALSE/ UNCERTAIN responses	% Correct
The interior temperature of a household refrigerator is 8°C.	43
Frost-free fridges and freezers with dual compressors are more energy effective.	39
The energy consumption of a large chest freezer is lower than that of a microwave oven.	34
The recommended interior temperature of a household freezer is -30°C.	42
Some manufacturers treat the interior of fridges and freezers to inhibit bacterial growth.	53
Dual compressors are advised for combination fridge/freezers for better temperature control.	5
The capacity of fridges is indicated in litres.	87
Cold is contained better in a chest freezer than in an upright freezer.	48
Temperature control in frost-free refrigerators is less effective than in ordinary models.	21
Solid racks, e.g. glass shelves, in refrigerators, prevent proper cold air circulation.	26
Mean for the scale	4.00
Variance	3.86
Standard deviation	1.97
Cronbach Alpha	0.54

Of the 296 respondents who participated in the research, n=231 indicated that they already owned fridge freezers and n=17 indicated that they purchased fridge freezers for the first time on the particular day. A total of n=242 respondents completed this specific knowledge test.

Respondents were well informed about the indications of capacity, however important facts relating to temperature control, cabinet design and construction as well as very popular frost free modes were not clearly understood. Customers seem to use appliances without giving attention to details or characteristics.

TABLE 4.6: RESULTS OF THE KNOWLEDGE TEST FOR WASHING MACHINES (n=236)

Statement that required TRUE/ FALSE/ UNCERTAIN responses	% Correct
Front loading washing machines that use less water (less than 11 liters per kilogram of laundry) also use less electricity than top loaders.	43
Front loading washing machines use less water than top-loading machines	10
1000-1200 rpm is the minimum recommended rotation speed for washing machines.	10
Low sudsing detergent can be used for both front loaders and top loaders.	60
Top loaders are generally more environmental friendly in terms of water and energy consumption.	36
Front loading washing machines offer more wash programmes.	19
All top loaders have lint filters that need to be cleaned regularly.	8
The capacity of a washing machine is indicated in kilograms.	86
The wash cycles of top loaders are longer than those of front loaders.	31
Most front loaders need only be connected to a cold-water faucet.	11
Mean for the scale	3.14
Variance	2.31
Standard deviation	1.52
Cronbach Alpha	0.36

Of the 296 respondents who participated in the research, n=169 and n=99 respectively indicated that they already owned top loader and front loader washing machines while n=16 and n=18 respectively indicated that they purchased top loaders or front loaders for the first time on the particular day. A total of n=236 respondents completed the knowledge test, which involved questions about both types.

Findings reveal that consumers were generally ill informed about the water- and energy consumption of top loading versus front loading washing machines (10% and 36% respectively) - a pity in times where an energy crisis prevails and where concern about the environment should supersede product decisions. Very basic questions concerning the programmes of washing machines were answered incorrectly by more than two thirds of the respondents while only 11% were aware of the proper installation requirements for front loaders.

The results for microwave ovens were better, but revealed a lack of understanding of the principles of operation of these appliances. Questions relating to the energy consumption of microwave ovens, cooking time related to the wattage of the ovens, energy consumed for grilling as well as the

reflection of electromagnetic waves in the cavity were particularly problematic. Although almost two thirds of the respondents provided the correct answer, it is alarming that so many consumers are under the impression that microwaves can pass through the glass doors. Similarly the effect of the size of the oven should be clear to consumers before an oven is chosen.

TABLE 4.7: RESULTS OF THE KNOWLEDGE TEST FOR MICROWAVE OVENS (n=248)

Statement that required TRUE/ FALSE/ UNCERTAIN responses	% Correct
At least 5 cm space is required around a microwave oven for proper ventilation.	77
A microwave oven consumes less electricity than a stove and can easily be connected at a double adaptor.	11
When the door of a microwave oven is opened, the cooking process is interrupted.	88
A 700-watt oven can take twice as long to heat food than a 1150 watt model.	34
A turntable in a microwave oven ensures faster heating.	78
A microwave oven with a built in grill will have a higher wattage.	40
It is not safe to touch the glass door of a microwave oven while in use because microwaves can pass through glass.	63
A microwave oven can be damaged when it is switched on while it is empty.	64
The interior walls of microwave ovens are light in colour to reflect the waves better.	44
The power of the magnetron influences the cooking speed of the oven more than the size of the cooking chamber.	46
Mean for the scale	5.46
Variance	3.84
Standard deviation	1.96
Cronbach Alpha	0.54

Of the 296 respondents who participated in the research, n=224 indicated that they already owned microwave ovens while n=45 indicated that they purchased microwave ovens for the first time on the particular day. A total of n=248 respondents completed the knowledge test for this appliance.

The mean score for microwave oven was the highest when compared to the other appliances. The respondents seemed to be better informed about microwave ovens functional and performance characteristics. This may be due to the fact that the respondents use the microwave oven themselves while many of the other appliances such as the washing machines are operated by their domestic servants. Respondents seemed to be ignorant

about the mechanism and the characteristics of appliances that differentiate brands and models from one another.

TABLE 4.8: RESULTS OF THE KNOWLEDGE TEST FOR TUMBLE DRYERS (n=114)

Statement that required TRUE/ FALSE/ UNCERTAIN responses	% Correct
Tumble dryers are more effective when filled to full capacity.	19
Moisture sensors in tumble dryers will prevent clothes from creasing.	54
A cool down cycle in tumble dryers is important for safety reasons.	10
The accumulation of lint in the filter will increase the drying time.	54
A dryer with a timer consumes more electricity than one with a moisture sensor.	25
The air vent is situated at the back of the tumble dryer for safety reasons.	54
An air-vented dryer will dry washing faster than condenser dryers.	29
A condenser tumble-dryer should be installed near a window for proper venting.	23
Tumble dryers have different heat settings to save electricity.	46
A tumble dryer that can dry without tumbling is more versatile.	50
Mean for the scale	3.65
Variance	3.61
Standard deviation	1.90
Cronbach Alpha	0.48

Of the 296 respondents who participated in the research, n=113 indicated that they already owned tumble dryers while n=14 indicated that they purchased tumble dryers for the first time on the particular day. Only n=114 respondents completed the knowledge test for this appliance.

Findings indicate that consumers are generally ignorant about most of the basic principles of operation of a tumble dryer or installation requirements. These are facts that should be conveyed before an appliance is purchased because these will affect the use and maintenance of the appliances.

A summary of the outcome of the product tests is presented in Table 4.9.

TABLE 4.9: SUMMARY OF THE SCORES IN THE PRODUCT KNOWLEDGE TESTS

	Dishwasher (n=135)	Fridge/ freezer (n=242)	Washing machine (n=236)	Microwave oven (n=248)	Tumble dryer (n=114)
Mean for the scale	3.29	4.00	3.14	5.46	3.65
Variance	3.47	3.86	2.31	3.84	3.61
Standard deviation	1.86	1.97	1.52	1.96	1.90
Cronbach Alpha*	0.44	0.54	0.36	0.54	0.48
Mean % correct	33	40	31	55	36

* *Because the scores were so low, low Cronbach Alphas could not be resolved*

The mean scores for the product knowledge tests (Table 4.9) were disappointingly low for all the appliances. Considering a maximum possible score of 10, the highest mean was 5.46 (microwave ovens) and the lowest was 3.29 (dishwashers). The knowledge tests only contained basic questions on the functional and performance attributes of appliances that are important in making an informed responsible buying decision. Results suggest that consumers did not possess adequate product knowledge to have made an informed buying decision despite previous experience with appliances and despite their in store encounter where they had every opportunity to obtain information they required. Although the blame could be laid upon customers who apparently not necessarily asked the relevant questions, it may be possible that customers do not know what they are supposed to know. In this regard the service offering should come to their rescue by providing “need to know” information in a non-threatening manner.

Consumers' product knowledge is a major concern in terms of their ability to make informed responsible buying decisions. Limited product knowledge can however also cloud customers' expectations regarding CS and SQ and consequently result in positive CS judgements that are not necessarily substantiated in terms of service excellence. It is concerning that customers seem to be satisfied with CS and SQ despite lack of evidence that the in store encounter enhanced their ability to make informed buying decisions. John (1999:11) explains that consumers in an emerging economy do not have sufficient structural and transactional knowledge to ensure satisfying and responsible buying decisions. These consumers generally do not have shopping scripts to rely on, and they do not have shopping skills and an understanding of the consequences of the transaction that could result in an understanding of marketplace transactions. This research proclaims that in these contexts the CS in department stores has to be augmented to significantly to provide the much needed assistance for the consumers. The responsibility can however not simply be reverted to the salespeople in terms of their effort and customer approach. Findings of research by Makgopa, Kachale and Erasmus in Tshwane, RSA in 2004 (Erasmus *et al.*, 2005:95) indicate that consumers do not

rely on salespeople for information, but prefer to trust brand names, guarantees and a retailer's reputation. The outcome of the product knowledge test confirms the need for change in CS in retail despite customers' positive judgements of CS and consequently, also SQ.

4.4.2 Consumers' product knowledge related to specific variables

Consumers' product knowledge was investigated in terms of a possible relationship with specific variables, i.e. *gender; years of experience with appliances* as well as *ease of choosing and buying major household appliances*. This investigation aimed to determine whether certain variables have a converse affect on consumers' product knowledge. It was for example anticipated that consumers with more product related experience would possess more product knowledge and that experience would thus be more conducive for informed responsible buying decisions. Findings that reveal means and standard deviations are shown in Tables 4.10 to 4.12.

4.4.2.1 The relationship between gender and product knowledge

ANOVA was done to investigate possible relationships between certain demographic variables and consumers' product knowledge. No significant relationship between gender and consumers' product knowledge (Table 4.10) could be confirmed for any one of the appliances ($p < 0.05$). Despite a notion that men, who are generally more interested in technology (Lavin, 1993; Lee & Beatty, 2002) and that they would obtain significantly higher scores due to greater interest in performance and functional attributes of object, results could not confirm this presumption.

4.4.2.2 The relationship between product related experience and product knowledge

On face value, the mean scores for the product knowledge tests for consumers in the highest experience category (more than 25 years experience) are higher for all of the appliances except for dishwashers. Although prolonged use of appliances apparently resulted in higher scores, the scores are too low to confirm an understanding of the functional and performance characteristics of appliances.

TABLE 4.10: THE RELATIONSHIP BETWEEN GENDER AND CONSUMERS' PRODUCT KNOWLEDGE

Variable	DISHWASHER			FRIDGE/FREEZER			WASHING MACHINE			MICROWAVE OVEN			TUMBLE DRYER		
	N	Mean	SD	N	Mean	SD	N	Mean	SD	N	Mean	SD	N	Mean	SD
Male	47	2.19	1.34	81	3.95	1.75	68	2.23	0.97	76	4.89	1.97	39	2.58	1.98
Female	87	2.28	1.62	158	3.60	1.85	163	2.25	0.92	166	4.62	1.88	74	2.89	1.68
Total	134			239			231			242			113		

TABLE 4.11: THE RELATIONSHIP BETWEEN PRODUCT EXPERIENCE AND CONSUMERS' PRODUCT KNOWLEDGE

Variable (years)	DISHWASHER			FRIDGE/FREEZER			WASHING MACHINE			MICROWAVE OVEN			TUMBLE DRYER		
	N	Mean	SD	N	Mean	SD	N	Mean	SD	N	Mean	SD	N	Mean	SD
0-2	19	2.21	1.58	32	3.59	1.81	24	1.66 ^a	1.04	28	4.85	2.25	13	2.46	2.22
3-8	36	2.70	1.75	55	3.54	2.09	52	2.01 ^{ab}	0.91	59	4.59	2.00	28	2.32	1.86
9-15	26	2.15	1.31	69	3.50	1.63	68	2.38 ^{bc}	0.75	73	4.57	1.67	22	3.04	1.64
16-25	33	1.87	1.47	56	3.89	1.74	61	2.36 ^c	0.98	53	4.50	2.01	29	2.86	1.80
26+	20	2.10	1.20	27	4.44	1.80	26	2.65 ^c	0.89	29	5.51	1.66	21	3.23	1.48
Total	134			239			231			242			113		

TABLE 4.12: THE RELATIONSHIP BETWEEN EASE OF DECISION MAKING AND CONSUMERS' PRODUCT KNOWLEDGE

Variable	DISHWASHER			FRIDGE/FREEZER			WASHING MACHINE			MICROWAVE OVEN			TUMBLE DRYER		
	N	Mean	SD	N	Mean	SD	N	Mean	SD	N	Mean	SD	N	Mean	SD
Difficult	15	1.66	1.54	25	3.12	1.61	19	2.42	0.83	23	4.43	1.67	8	2.00	1.51
Average	49	2.02	1.28	100	3.47	1.57	100	2.30	0.85	108	4.42	1.78	37	2.72	1.83
Easy	70	2.54	1.63	114	4.07	2.00	112	2.17	1.01	111	5.04	2.03	68	2.91	1.79
	134			239			231			242					

4.4.2.3 The relationship between difficulty experienced and product knowledge

It was anticipated that consumers who indicated that the buying task was easy to perform, would obtain higher scores in the product knowledge tests and that improvement in the service offering would probably be more focused on consumers who lacked the confidence and experience. For all of the major appliances but washing machines, mean scores increased progressively with perceived ease of decision-making, i.e. the easier consumers perceived the decision making procedure to be, the higher the mean scores for the product knowledge test. However, mean score were below average and not indicative of an ability to make informed buying decisions even for consumers' who indicated that the task was easy to perform. Interestingly, the exact opposite occurred in only one product category, i.e. washing machines: the easier consumers indicated decision-making to be, the lower the mean scores. In addition, of all the consumers who indicated that buying the appliances was easy to very easy, the mean score for washing machines was the lowest. In this particular product category, top loading as well as front-loading washing machines was covered because one would assume that a consumer who buys either of the two, would know why that type is preferred. Consumers who indicated that it was easy to buy dishwashers could not convince that it was due to relevant product knowledge: the mean score of 2.54 out of a maximum of 10 suggests that they "probably do not know what they do not know". The same can be said for respondents who indicated that it easy to buy the other appliances: the highest score (5.04) for microwave ovens does not reflect confidence in terms of an ability to conclude an informed buying decision. These responses confirmed a necessity to augment customer service despite positive CS and SQ judgements.

Findings revealed that consumers who experienced difficulty to make buying decisions and who scored poorly in the product knowledge tests, nevertheless indicated that they were satisfied with the CS. This suggests that consumers in the context of this research probably do not have high expectations of the CS and/or are hesitant to indicate that they are not satisfied with the service, i.e. more tolerant to

their own detriment. The element of CS that was scored the lowest was *Product presentation*. This clearly indicates a specific dimension of the service that should be attended to in terms of visible, tangible evidence, i.e. display of appliances; availability of manuals to use during investigations; availability of new and interesting products in different price ranges.

4.5 AN IN STORE SURVEY TO INVESTIGATE EVIDENCE OF THE SERVICE OFFERING

Tangible evidence of the stores' service offering was investigated through a survey (Appendix 2) that involved a checklist that was completed by the researcher on instruction of the store manager or a selected senior representative of the store during a joint investigation of the stores' in store surroundings.

4.5.1 Stores' presentation of specific indicators of the various elements of CS

A checklist was used to judge the visual presence of attributes of the six elements of CS (i.e. *products, price, physical environment, personnel, processes, promotions*) in five selected stores based on a conceptualization through literature (Babbie & Mouton, 2001:232; Eldabi *et al.*, 2002:66). The conceptualization of CS was done in terms of the original six elements of CS and does not refer to the redefinition of CS in terms of three elements as was found and discussed earlier because this in store visual survey was done as an introductory phase of the research to encourage participation by the stores and to demonstrate that the research would be executed in a non threatening manner. The findings can however be interpreted in terms of the three elements of CS in the discussion of the research.

Nominal measures were used (YES, NO) and the scores are based on scores given by store managers or representatives of the store themselves without intervention of the researcher other than to explain the constructs if necessary. Scores for each element was eventually calculated in terms of a sum of the respective attributes. Responses were then used to rank the attributes in descending order in terms of the apparent

attention given to those aspects by the store. Findings are presented in Table 4.13 and attributes are listed in descending order with regard to the total score over five stores.

TABLE 4.13: THE OVERALL VISUAL PRESENTATION OF THE ELEMENTS OF CS IN THE VARIOUS STORES

ELEMENTS OF CS	Store 1	Store 2	Store 3	Store 4	Store 5
Maximum possible total score	30	30	30	30	30
Physical environment	26	18	26	20	30
Personnel	21	19	23	24	30
Price	20	20	20	24	27
Products	20	19	22	19	29
Processes	19	17	22	20	28
Promotions	13	14	11	21	30
Total for the store!	119	107	124	128	174

Key to the interpretation of individual elements of CS

25-30	Excellent	20-24	Good	15-19	Average	14 or lower	Poor
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Key to the interpretation of the integrated scores for the various stores (top score 180)¹

150+	Excellent	120-149	Good	90-119	Average	89 or lower	Poor
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Although the researcher never intended to compare the different stores, Table 4.13 shows clearly that the various stores attend to certain elements more meticulously than others. Similarly certain elements seem to be neglected/_overseen in certain stores

4.5.1.1 Scores that pertained to the six elements of CS across the five stores (top score 180)²

When the six individual scores for the respective elements of CS were totalled, only one of the stores (Table 4.13: store 5) obtained a score that signified an *Excellent* presentation of the elements of CS. Two of the stores' totals can be interpreted as *Good*, while two stores only managed to obtain *Average* scores.

The specific element of CS that contributed to overall lower total for three of the stores (stores 1,2,3) was *Promotions*. This element does however not necessarily contribute to informed buying behaviour. Neglect in this regard may thus not necessarily impact on consumer decisions negatively. Of greater concern are lower scores for the elements *Products* and *Processes* that were also judged less favourable for three of the stores (stores 2 and 4 respectively; stores 1 and 2 respectively). These two elements are of particular importance in terms of exposure to goods in the store and assistance to consumers during and after the in store encounter.

In one of the five stores, five of the six elements of CS, i.e. *Personnel*; *Physical environment*; *Products* and *Processes* as well as *Promotions* were judged *Average to Poor*, which reflects a situation that is not conducive for optimal service delivery and where informed buying decisions would probably not be encouraged.

The negative assessment of *Promotions* for store 3 was negated by positive judgements of the other elements of CS: despite that one low score, the overall score of the store was *Good*.

The one store that was judged *Average to Poor* on five of the six elements apparently focuses on price (highly competitive prices, i.e. generally cheaper). In this particular store the management admitted to a lack of evidence of excellence in terms of five of the six elements of CS. In this particular store, price seems to be the principal concern of the store. However, when compared to the other stores, it becomes evident that all the other stores obtained *Good to Excellent* ratings for the same element and that this store's emphasis on price does not necessarily provide a competitive advantage in the market. The element *Promotions* was rated very negatively for three of the stores (stores 1,2,3). Of greater concern is admittance by two of the stores that the element *Processes* and related attributes that involve concern about after sales service and the availability of information and in store guidance, only obtained an *Average* score. Only one of the stores' score for this

element was optimal, which suggests a focused effort to improve this element of CS to the benefit of consumers in general.

Only one of the stores (store 5) obtained a score that signify an *Excellent* CS offering across all elements of CS while two of the stores could not confirm an *Excellent* score for themselves on any one of the elements of CS.

Despite consumers' positive judgement of CS in the appliance departments of retail stores, the same could not be concluded from retail's own judgement.

4.5.1.2 Scores that pertained to the focus on specific elements of CS across the five stores (top score 150)²

TABLE 4.14: THE VISUAL PRESENTATION OF THE INDIVIDUAL ELEMENTS OF CS IN THE STORES

ELEMENTS OF CS	Store 1	Store 2	Store 3	Store 4	Store 5	Total score ²
Maximum possible total score	30	30	30	30	30	150
Physical environment	26	18	26	20	30	120
Personnel	21	19	23	24	30	117
Price	20	20	20	24	27	111
Products	20	19	22	19	29	109
Processes	19	17	22	20	28	106
Promotions	13	14	11	21	30	89

Key to the interpretation of individual elements of CS

25-30	Excellent	20-24	Good	15-19	Average	14 or lower	Poor
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Key to the interpretation of scores across the elements of CS (top score 150)²

120+	Excellent	90-119	Good	60-89	Average	59 or lower	Poor
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The one element of CS that is apparently given the most attention by retail stores, is *Physical environment*. Three of the stores performed *Excellently* with regard to the *Physical environment*, which is commendable and could contribute to a pleasurable in store experience. One of the five stores only obtained an *Average* score in this

regard and apparently tries to lure consumers through good pricing structures. However, all of the other stores' scores with regard to pricing were equivalent or higher, which suggests that they do not have enough to offer them to draw consumers to their stores. In addition, this store's score for *Physical environment* and *Personnel*, which are significant in terms of consumers' potential to conclude informed buying decisions, seemed *Average*.

Personnel, Price, Products and *Processes* were judged as being *Good*.

The element that is apparently neglected most, is *Promotions*. Although this element of CS could be beneficial for retailers, in store promotions could also have educational value and could attract attention and indirectly enhance informed responsible buying decisions.

4.6 SALES PEOPLE'S SUGGESTIONS FOR AUGMENTED CUSTOMER SERVICE IN DEPARTMENT STORES

Eighteen salespeople from five different stores participated in the qualitative exercise that involved the completion of a projective technique in written format. Their reports were analyzed by means of AtlasTi computer software with the intention to identify any direct or subtle reference to the elements of CS in their recommendations for augmented CS and to identify and link relevant attributes of the elements of CS into coherent configurations (Babbie & Mouton, 2001:491). The original elements of CS (products, price, physical environment, personnel, processes and promotion) were used as the primary concepts to which the data was coded. Systematic coding of the transcribed text was done considering the frequency of the attributes of different elements of CS that were mentioned as being relevant from the participants' point of view (Babbie & Mouton, 1998:191; Northcut & McCoy, 2004:xxiii).

Secondary descriptors (attributes) of each element were associated for only five of the six elements of CS from participants' written recommendations. A summary of the

concepts that were identified as crucial in terms of Augmented CS that would enhance informed buying decisions, are presented in Table 4.15. Concepts are presented in terms of the elements of CS and attributes are arranged in descending order to indicate their prominence in terms of augmented CS.

TABLE 4.15: PERSONNELS' REFERRAL TO ELEMENTS OF CS IN THE PROJECTIVE TECHNIQUE (N=18)

Elements of CS identified in terms of primary concepts	Attributes mentioned, i.e. secondary reference to the elements of CS	Frequency (n)*	Total
Personnel	Attitude of salespeople	44	121
	Availability of salespeople	20	
	Competence to handle transactions	17	
	Knowledgeable well trained personnel	16	
	Training applied	10	
	Motivated to assist customers	9	
	Clear job description	5	
Processes	Redressing done	8	37
	Transactions handled to satisfy customers	7	
	Extra services done, e.g. installation	6	
	Delivery possible	4	
	Guarantee available	1	
Products	Availability of products	14	18
	Quality of products	3	
	Variety of products offered	1	
Price	Correct prices on items	7	11
	All prices displayed	4	
Physical environment		7	7
Promotion	Availability of stock	6	6

Frequency*: Exceeds N=18 whenever individuals mentioned particular aspects more than once

Table 4.15 reveals that salespeople referred to their own contribution in terms of augmented CS more frequently than any other element of CS. Thereafter attributes that are associated with peace of mind, i.e. the element Processes were indicated frequently. A total of 121 references were made to personnel and 37 references were made to processes. This coincides with consumers' apparent regard for the human aspect of CS as postulated by Malhotra *et al.* (1994:3-5) and which was confirmed in this research through one of the two newly identified elements of CS (i.e. Supportiveness).

A personal trait, i.e. attitude, was mentioned as the single most prominent factor in terms of the enhancement of CS in the departments. Considering a sample of 18

participants, it is clear that attitude was referred to more than once by some of the participants in their recommendations. Availability of salespeople to attend to customers' needs as well as competence and personnel's knowledge were mentioned by all or almost all of the participants. Training however probably also implies competence and knowledge, which accentuates the ability of sales people to assist customers as a prominent factor. In terms of personnel, which was singled out as the most prominent factor in the enhancement of CS, participants thus indicated that stores should employ (and deploy) enough sales assistants in the store who have a positive attitude and who are competent. Mention of a clear job description by a few, probably indicates that sales personnel are expected to do a variety of tasks that may be counterproductive, confusing, frustrating or may interfere with what salespeople perceive to be their main responsibilities and that these should be clarified.

Another element of CS that was indicated prominently (26 references), is Processes. In this exercise, participants mentioned aspects that relate to peace of mind and minimal frustration, i.e. the need for redress, error free transactions, assistance with delivery, installation. Although the offering of guarantees was mentioned once only, opportunity for redress may suggest the same. Guarantees could however also be regarded as the responsibility of industry and to a lesser extent, the concern of the store.

Products were referred to in terms of three concepts of which the availability of products was mentioned more frequently than quality. This may indicate a supply-demand concern, which not necessarily addresses augmented CS because, as was clearly indicated through the product knowledge tests, consumers not necessarily know what they are supposed to know about their intended purchases. This seems to be an area of concern. From a consumer facilitation point of view, one would have expected sales personnel to indicate greater concern about the quality of appliances in terms of augmented CS.

Eleven references to price confirm that not all of the participants mentioned this element as significant in terms of augmented CS. Salespeople apparently therefore do not necessarily regard price highly in terms of their perception of an enhanced CS offering. Those who mentioned price in their written proposals indicated that prices should be displayed visibly and correctly. This suggests efforts to reduce frustration and to inform customers properly rather than a focus on affordability. The survey amongst store managers revealed that price was scored fairly positively and that the scores for this element of CS were comparable for all of the participating stores. When making their suggestions for augmented CS, the salespeople may thus have been under the impression that prices are competitive any way, which explains why no mention was made of affordability in the projective technique.

Limited reference to the physical environment may indicate that personnel are blasé in this regard and have not necessarily thought that the environment in a department store could be improved to be more conducive for informed, responsible buying decisions. On the other hand, no further explication of how the physical environment could be improved/ changed may be attributed to the fact that the physical surrounding in the stores were generally regarded fairly satisfactory in terms of what is offered in department stores. A previous investigation of the elements of CS by managers of the stores through an in store survey revealed that this specific element of CS is apparently attended to better than any of the other elements of CS (see Table 4.14). Participants therefore probably did not consider physical facilities as non-conducive for optimal service delivery.

Salespeople mentioned promotions least often as a contributing factor towards augmented CS. Similarly, this element of CS seemed to be the most neglected element of CS (see Table 4.14). The potential contribution of promotion towards informed buying decisions may thus not be understood or highly regarded.

Figure 4.2 represents the configuration of the elements of CS as suggested through the projective technique according to the AtlasTi programme. The elements of CS that were specified by salespeople as important considerations in terms of

augmented CS are indicated with the descriptors that were identified spontaneously. Only the signifiers of the first order elements of CS that were prominently mentioned in participants' reports are consequently included.

Customer Service

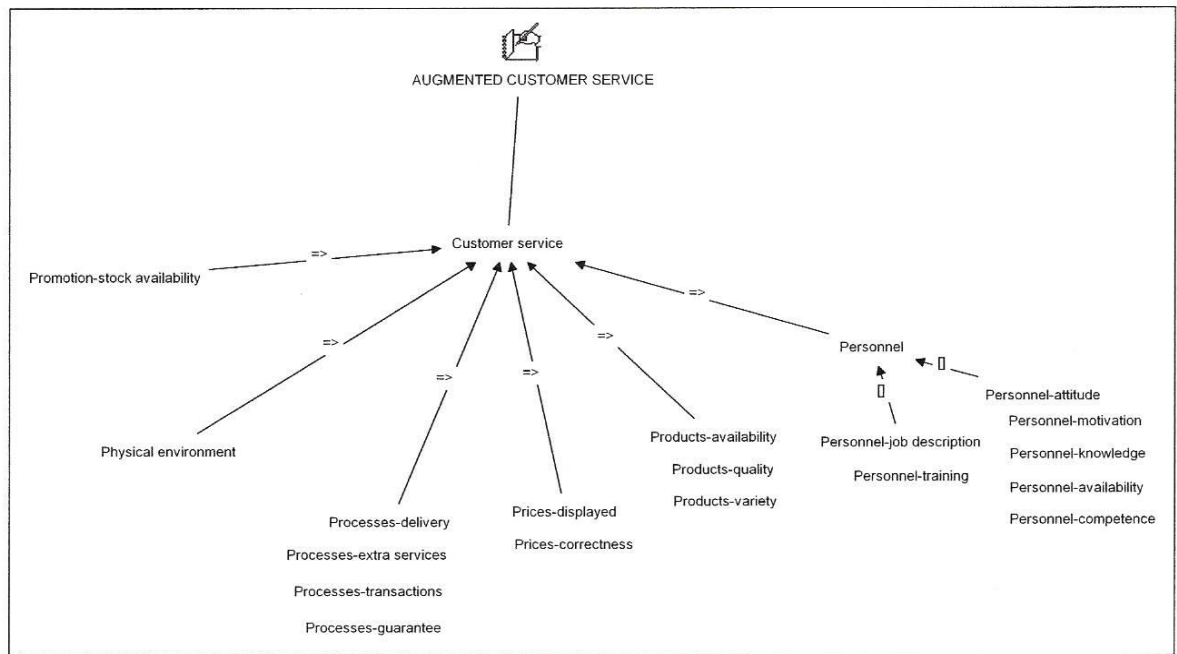


FIGURE 4.2: A SCHEMATIC PRESENTATION OF SALESPeOPLE'S SUGGESTIONS FOR AUGMENTED CUSTOMER SERVICE

4.7 INDUSTRY'S VIEW ON AUGMENTED CUSTOMER SERVICE

Industry's view on augmented customer service is presented in terms of a summary of the discussions:

How often does a representative of your company visit department stores that sell your merchandise? What is the main objective of these visits?

All agreed that stores are serviced in terms of regions. Regional managers attend to the needs of the various stores and this is generally based on orders, sales and

possible problems that may occur from time to time. The availability of stock, sales and promotions are main topics of discussions during these visits. Sales representatives visit the various stores and report back to regional managers. The primary objective of these visits is to attend to orders and sales and special needs of stores, which mainly evolves around stock, pricing.

- Which aspects of customer service in retail stores are important to the industry?
Please prioritize and motivate.

Industry apparently has little control over the retail environment itself because that is regarded as the domain of the retail stores. There is little interference from industry except for attention to the display and sales of their own brands. They are also concerned about complaints and will attend to these matters in conjunction with retail.

- What influence does the industry have with regard to the potential to enhance informed consumer decision-making in the stores considering the complexity of the decisions when household appliances are involved?

The spokespersons explained that the appointment of personnel and the modus operandi of stores are managed by the stores through their own codes of conduct. Stores are responsible for the appointment of personnel, their remuneration and job related conditions.

- What is industry's (your) contribution in terms of the training of salespeople?

Industry does offer opportunities for training that mainly evolves around their own products and brands to ascertain that their products are boosted. Incentives are paid for sales. Although this practice may create tension and confusion amongst colleagues, it is difficult to terminate because "all the brand leaders do it and personnel depend on the extra income".

- Are you aware of specific problems in retail that may be to the detriment of optimal customer service and that may inhibit informed consumer decision-making? What would you recommend to improve the situation?

All agreed that salespeople have a major responsibility to boost sales and that efforts to facilitate informed, responsible buying decisions may be time consuming and may be in conflict with incentives that may be earned through the promotion of specific brands. It became clear that competition amongst leading brands to win over the support of sales personnel creates conditions that are not necessarily to the benefit of consumers who need objective assistance in the store. No constructive ideas to amend the situation came to the fore. All agreed that the incentives are highly appreciated by sales people and that their basic salaries are too low to ignore these bonuses. Because incentives enhance sales, retail is not necessarily willing to put this to a halt.

- What changes would you propose for the retail environment to enhance informed, responsible buying decisions, especially of inexperienced previously disadvantaged consumers?

All confirmed the important contribution of well-trained sales people. The use of printed matter such as brochures remains a concern because good quality brochures are expensive and are not necessarily used optimally by consumers. Reading the brochures is time consuming and it may be too difficult to understand if consumers' education levels are low or if they do not have prior experience with similar appliances. All these brochures contain technical information that may be too complex to comprehend unless it is explained to consumers, for example noise levels, water consumption: e.g. inexperienced consumers would have no idea whether 56db represent a noisy dishwasher or not.

4.8 SUMMARY OF THE FINDINGS

4.8.1 Introduction

The service offering in appliance sales departments in prominent retail stores in Tshwane, RSA was evaluated in stages:

Customers' judgement of the service offering in the appliance departments in selected, prominent retail stores was investigated by means of two scales, a judgement of tangible elements of CS based on the elements of the marketing mix, as well as a SERVQUAL scale that has a stronger focus on intangibles. Consumers' judgement of the service offering was thereafter verified in terms of their product knowledge, i.e. their knowledge of the functional and performance attributes of appliances immediately after their purchases as an indication of whether they had made informed buying decisions.

The service offering in appliance sales departments was also judged through an in store survey that involved managers of the various stores, and through a projective technique whereby salespeople who interacted with customers on a regular basis made recommendations in terms of how CS could be augmented to enhance informed buying decisions.

Representatives of industry expressed their views on the customer service in department stores and commented on possible ways to augment the service offering to enhance informed responsible buying decisions.

4.8.2 Customers' satisfaction with the service offering based on tangible evidence of the service offering

The respondents (N=296) rated their satisfaction with CS, by means of a scale that contained a list of tangible elements of the service offering. In the context of this research only three pertinent elements of CS were identified when the initial scale was

subjected to exploratory factor analysis, i.e. *Personnel* (Element 1) *Processes and Value for money* (Element 2); *Product presentation* (Element 3). Analysis of variance (ANOVA) was used to investigate a possible relationship between each of these elements of CS and the *gender of respondents*; *years of experience with appliances* as well as *how easy consumers perceived the buying decision to be*. Although the means indicated above average satisfaction for all three newly identified elements of CS irrespective of the variables considered, findings revealed that consumers who have more extensive experience with appliances (15 years and more) are significantly less satisfied with all the elements of CS. Respondents, who perceived the decision-making process to be easy, were more satisfied with every one of the three elements of customer service identified. Although the scores indicate some room for improvement, consumers were generally satisfied with the CS. ANOVA also indicated that consumers who indicated that the task was easy were significantly more satisfied than their counterpart with the element *Product presentation*.

4.8.3 Customers' perception of the service quality in appliance sales departments in retail stores

A SERVQUAL scale was used to investigate consumers' perception of the service quality in the appliance sales departments in selected retail channels. The specific scale of Dabholkar *et al.* (1996) was preferred for its focus on retail where a mix of merchandise is offered. Minor changes in the wording of the scale secured association with the context of the research. The SERVQUAL measurement was consequently also included in the research to ascertain whether customers' judgement of SQ in terms of more intangible aspects would coincide with a judgement of tangible evidence of CS because extant literature suggest that consumers in third world economies are inclined to judge customer service differently and tend to be more tolerant of poor service delivery. Respondents' perception was quantified in terms of a judgement of 28 items on a five point Likert-type scale. It was anticipated that the SERVQUAL scale would produce more favourable judgements because of the intangibility of the denominators.

Findings revealed a reduction of the five elements of SQ to two, which suggests a less intricate/ detailed judgement of the service offering in the context of this research. This research could not support a five dimensional scale. Instead, the findings revealed a clear distinction between attributes that involve basic requirements to make an informed buying decision (Dimension 1: *Supportiveness*) and attributes that are inviting, encouraging and makes the buying experience more pleasurable (Dimension 2: *Impressiveness*). Means suggest an above average positive judgement of the quality of service offered in terms of both dimensions of SQ in the stores. In terms of consumers' judgement of SQ, those who thought that the buying process was easy, were significantly more positive about the element *Impressiveness* than consumers who were either indifferent or admitted that they experienced difficulty to make a buying decision. No significant relationship was found between consumers' perception of how easy it was to conclude the buying decision and their judgement of the *Supportiveness* of the sales environment: on face value, means were however lower for consumers who thought that the task was easy, which indicates that something is amiss. In the context of this research, the SQ is therefore perceived to be good, which suggests a service offering in appliance departments in retail stores that mostly coincide with consumers' expectations. Consumers generally make judgements within their expectations frameworks: a positive judgement could thus merely indicate limited expectations and could leave retail with the impression that they have little to improve on.

4.8.4 A verification of consumers' judgement of the service offering in appliance sales departments in retail stores in terms of their product knowledge

In order to verify customers' positive judgement of retail stores' service offering in appliance sales departments (both CS as well as SQ judgements were positive/good), consumers product knowledge were investigated immediately after closure of a sales deal. It was assumed that respondents would be able to identify the correct answers relatively easily because they were only asked to respond to newly purchased appliances after closure of the sales deal (i.e. after an opportunity to acquire much needed product information in-store) as well as another appliance they already

owned and were experienced with. The mean scores for the product knowledge tests below average to poor for all the appliances but microwave ovens where a mean of 5.4 out of a maximum of 10 was nevertheless not convincing either. Results suggest that consumers did not possess adequate product knowledge to have made an informed buying decision despite previous experience with appliances and despite their in store encounter where they had every opportunity to obtain information they required. Almost half of the respondents (n=141; 47.8%) declared that it was easy to very easy to make the buying decision. It was hence anticipated that consumers who indicated that the buying task was easy to perform, would obtain higher scores in the product knowledge tests and that improvement in the service offering would probably be more focused on consumers who lacked the confidence and experience. For all of the major appliances except for washing machines, mean scores in the product knowledge tests increased progressively with perceived ease of decision-making. The easier consumers perceived the decision making procedure to be, the higher the mean scores for the product knowledge test, however, mean scores were below average throughout and were not indicative of an ability to make informed buying decisions even for consumers' who indicated that the task was easy to perform. Findings revealed that consumers who experienced difficulty to make buying decisions and who scored poorly in the product knowledge tests nevertheless indicated that they were satisfied with the CS. This suggests that consumers in the context of this research probably do not have high expectations of the CS and/or are hesitant to indicate that they are not satisfied with the service, i.e. more tolerant to their own detriment. The element of CS that was scored the lowest, was *Product presentation*. This clearly indicates a specific dimension of the service that should be attended to in terms of visible, tangible evidence, i.e. display of appliances; availability of manuals to use during investigations; availability of new and interesting products in different price ranges.

4.8.5 Store managers' judgement of tangible evidence of the service offering

Tangible evidence of the stores' service offering was investigated through a survey that involved a checklist that was completed by the researcher on instruction of the

store manager or a selected senior representative of the store during a joint investigation of the stores' in store surroundings.

Scores for the five selected stores revealed that only one store managed to obtain an *Excellent* score across all six elements that were investigated. Elements of CS that contributed to the lower scores of the other stores were Promotions that was rated Poor for three of the stores. A concern, however, is the Average rating for Products and for Processes (which are important in terms of consumer service and informed buying behaviour) for two of the stores. One of the stores obtained Average or Poor scores for five of the six elements of CS. Findings revealed that the stores apparently attend to the Physical environment more meticulously than other elements of CS and overall, their emphasis on Price, was Good to Excellent, which means that all the stores are competitive any way. On their negative side, it may indicate a focus on price to the detriment of other elements of CS, to increase sales.

4.8.6 Sales people's suggestions for augmented customer service in department stores

Eighteen salespeople from five different stores participated in the qualitative exercise that involved the completion of a projective technique in written format. Their reports were analyzed by means of AtlasTi computer soft ware with the intention to identify any direct or subtle reference to the elements of CS in their recommendations for augmented CS and to identify and link relevant attributes of the elements of CS into coherent configurations.

Although six elements of CS came to the fore in their spontaneous reports, secondary descriptors (attributes), i.e. specifications of what need to be enhanced, were associated for only five of the six elements of CS. Salespeople referred to their own contribution in terms of augmented CS more frequently than any other element of CS. Participants indicated that stores should employ (and deploy) enough sales assistants in the store who have a positive attitude and who are competent. A personal trait, i.e. attitude of salespeople, was mentioned as the single most prominent characteristic of salespeople in terms of the enhancement of CS in the departments.

Attitude was referred to more than once by some of the participants in their recommendations. Mention of a clear job description by a few, probably indicates that sales personnel are expected to do a variety of tasks that may be counterproductive, confusing, frustrating or may interfere with what salespeople perceive to be their main responsibilities and that these should be clarified. Apart from personnel, attributes that are associated with peace of mind, i.e. the element Processes was prominent. This suggests an apparent regard for the human touch of CS similarly to an identification of Supportiveness as a prominent element of CS. In this exercise, participants also mentioned aspects that relate to peace of mind and minimal frustration, i.e. the need for redress, error free transactions, assistance with delivery, installation. Although the offering of guarantees was mentioned once only, opportunity for redress may suggest the same. Products were referred to in terms of three concepts of which the availability of products was mentioned more frequently than quality. This may indicate a supply-demand concern, which not necessarily addresses augmented CS because, as was clearly indicated through the product knowledge tests, consumers not necessarily know what they are supposed to know about their intended purchases. This seems to be an area of concern. Eleven references to price confirm that not all of the participants mentioned this element as significant in terms of augmented CS. Salespeople apparently therefore do not necessarily regard price highly in terms of their perception of an enhanced CS offering. Those who mentioned price in their written proposals indicated that prices should be displayed visibly and correctly. This suggests efforts to reduce frustration and to inform customers properly rather than a focus on affordability probably because salespeople may have been under the impression that prices are competitive any way across the stores any way. Limited reference was made to the contribution of the physical environment in terms of augmented CS. Promotions were awarded little attention in the reports of the participants. Similarly, this element of CS seemed to be the most neglected element of CS in the actual retail store settings (see Table 4.13).

4.8.7 Augmented Customer Service

“Augmented” implies the improvement of the service offering. Ultimately it should also meet customers’ expectations and satisfy their needs (Anderson & Zemke, 1991:v; Goff *et al.*, 1997:171-183). Any effort to augment CS would require an identification of the shortcomings of the service offering as is and consequent measures to address those shortcomings to the benefit of all parties involved. An improvement of the service offering would inevitably be most meaningful when customers perceive the personnel as polite, caring, experienced and supportive in terms of making a responsible buying decision.

Shortcomings identified through the judgements and reports of various role players, i.e. customers, store managers, salespeople and industry will provide the parameters for suggestions on how the service offering in appliance sales departments in prominent retail channels could be improved to enhance informed, responsible buying behaviour.

Consumers scored *Product presentation*, one of the elements of CS the lowest, thereby indicating a specific dimension of the service that should be attended to in terms of visible, tangible evidence, i.e. display of appliances; availability of manuals to use during investigations; availability of new and interesting products in different price ranges. Although consumers seem to be satisfied with the customer service in the retail stores, which suggested that the presentation of the elements of customer service (marketing mix) in the retail stores is more than acceptable, the outcome of the product knowledge tests confirmed the contrary. It became clear that customers not necessarily realise how limited their product knowledge is and that, in a retail environment as is, it is unlikely that consumers would be able to make informed, responsible buying decisions.

Retail stores apparently attend to the *Physical environment* of the store meticulously than the other elements of CS. Although this contributes to a pleasurable in store experience, more experienced customers who thought that the buying decision was

easy to conclude, were less satisfied with this specific element of CS. Considering the powerful stimulus of the physical environment on consumer behaviour, stores should focus on this aspect to guide the buying decision of the consumer.

Lower scores obtained for the elements *Products* and *Processes* by three of the five stores also indicate areas of concern. Because these two elements are particularly important in terms of exposure to goods in the store and assistance to consumers during and after the in store encounter efforts to augment CS should focus on *Products* and *Processes*.

The customers, the sales people themselves, as well as the industry accentuated the importance of well-trained sales personnel. The stores apparently neglect this element of CS. Training should not only focus on educating the sales personnel about new products, but also on how personnel could contribute to a store's service offering. Superior customer service does not result from slogans or fixed guidelines. Only training, dedication and commitment by the sales people, backed by an involved management, will. The attitude and image projected by the management of retail stores will largely influence the attitude with which the sales people approach the customers. Availability of enough salespeople to attend to customers' needs, competence through better training and knowledgeability of sales personnel to guide customers when choosing expensive appliances will be important components of augmented customer service. A value-based management system may be the base for augmented customer service where the wisdom, creativity and knowledge of every employee is acknowledged in terms of the optimisation of customer service (Chopp & Paglia, 2002:1; Dubinsky, 1999:5). Although sales personnel eventually implement CS, management of retail stores must be committed to make allowances to optimise CS (Beatty *et al.*, 1996:225; Graham, 2002:3).

Industry can contribute to augmented CS by active involvement in the training of personnel. At present this training is not compulsory and is done in personnel's own time. Training therefore implies that salespeople are not at work and do not own an income during periods of training. Unfortunately sales personnel can seldom afford to



miss out on opportunity to own income because their basic salaries are not high. An alternative for the incentives paid by industry for sales must also be investigated because these incentives lead to competition amongst colleagues instead of cooperation to provide superior CS.



Chapter 5

CONCLUSIONS AND RECOMMENDATIONS

Conclusions for the study are based on the results and presented in terms of the objectives that were formulated for the research. Recommendations are made on how the customer service in appliance sales departments could be augmented to enhance informed, responsible buying decisions. The context refers to prominent RSA department stores as an example of an emerging economy that have to attend to the needs of consumers across a broad socio economic spectrum.

5.1 INTRODUCTION

The research aimed to determine customers' judgement of the Customer service (CS) and Service quality (SQ) in the appliance sales departments of prominent retail stores in the RSA in order to identify shortcomings and discrepancies that could be addressed to ultimately augment the service offering to be conducive for informed, responsible buying decisions. The findings are discussed in accordance with the objectives for the study, within a systems theory approach. The findings relate to a specific context, i.e. appliance sales departments of prominent retail stores in the RSA. The study was executed in Tshwane, which is more affluent than most of the nine provinces in the country. One may however assume that other branches of the same stores/channels in the other provinces would have attracted customers that are very similar in terms of profile because these are the established major outlets for customers in middle-income groups. These stores further more proclaim that whatever they offer in one store would also be available in their other branches. The researcher therefore has no reason to expect that the results would have been significantly different had it been done elsewhere in the country. The findings of the study could be useful to enhance the service offering in all the stores across the country, as an example of the situation in an emerging economy.

5.2 A DISCUSSION OF THE FINDINGS IN TERMS OF THE RESEARCH OBJECTIVES

5.2.1 Consumers' judgement of Customer Service in appliance sales departments in retail stores

5.2.1.1 The elements of CS

Consumers' satisfaction with the customer service (CS) of the retail stores was firstly judged in terms of six elements of the service offering that coincided with what is generally referred to a store's marketing mix. The six elements of CS, namely *Product, Price, Place, Personnel, Processes, Promotions* were represented by five items each. The 30 item scale signified tangible aspects of the service offering that consumers could identify with easily. These items were subjected to exploratory factor analysis to objectively explore the elements/dimensions of CS in the context of this study, which was a specialized retail context (appliance sales that presented a specific product category of durable, high risk products) in an emerging economy.

Factor analysis revealed a reduction of the initial six elements of CS to three. The content of each of the three newly identified elements was scrutinized to construe a coherent meaning for each of the three elements and they were consequently labelled (1): *Personnel*; (2): *Processes and Value for money*; and (3) *Product presentation*. The respective Cronbach alphas of 0.87, 0.84 and 0.86 indicated acceptable levels of reliability. In itself, the reduction of six distinct elements (inferred from literature) to three elements suggests that the customer service offering in the context of this research is perceived in a less intricate manner.

The systems theory postulates that a system is judged holistically but also in terms of the individual elements of the system (in this instance CS) and that all the elements of the system are not necessarily of equal importance. This is demonstrated through a reduction and reorganization of the original six elements of CS that were identified in literature (*Product, Price, Place, Personnel, Processes, Promotions*) to only three

elements in the context of this research, i.e. a specific appliance category in department stores in an emerging economy.

One of the original elements of CS that did not manifest clearly in the revised scale, is *Promotions*: descriptors of this construct are in fact included as denominators of two different elements in the new scale, i.e. *Value for money* and *Product presentation*. Similarly *Price* did not manifest as an individual element, it is now offered along with descriptors that signify *Value for money*, which indicates a sense of vulnerability or price sensitivity. The fact that *Place* could also not be distinguished as a clearly defined element of CS may be ascribed to the similarity of the various department stores as explained in the selection of the participating stores.

The first element that was distinguished through exploratory factor analysis, i.e. *Personnel*, coincides with one of the elements contained in the initial scale. Consumers unequivocally confirmed *Personnel* as a distinguished element of CS and associated certain tasks with the demeanour of a store's sales force. This suggests that customers' judgement of the behaviour/ contribution of the personnel and/ or salespeople during the sales encounter would probably affect their judgement of CS notably.

An acknowledgment of *Personnel* as a prominent element of CS confirms Malhotra's (1994:1-5) view that customers in developing countries focus particularly on the human component of a service and that they have high regard for direct personal contact with sales people during the service encounter. This accentuates the need for proper, focused consumer facilitation by well-trained, trustworthy salespeople. Salespeople should therefore not only be regarded as employees that are obliged to boost sales for the retailer (economic perspective). Ideally personnel should be employed and trained to assist and to guide consumers towards informed responsible buying decisions especially with regard to a complex commodity such as major household appliances that are purchased to satisfy functional requirements as well as other less obtrusive needs (Naylor & Frank, 2000:312). In terms of the training of

personnel, cooperation between retail and industry as well as professionals in the field of Consumer Science is envisaged.

The second element of CS, i.e. *Processes and Value for money* represented a combination of three of the original elements of CS, namely (1) Processes, (2) Price and (3) Product. The integration of *Processes* (the element that refers to aspects that suggest concern and effort during the sales encounter as well as concern regarding after sales service) with *Value for money* (that suggests "getting your money's worth" in terms of quality) suggests that consumers associate the products in the store (appliances) with the store's willingness/ability to support the transaction. This could be ascribed to the fact that retailers often publicly boost specific brands and proclaim in the media that they offer extended guarantees. Consumers may therefore find it difficult to discriminate between product characteristics, price related factors and processes that are meant to reduce risk perception. Contrary to the expectation that the element *Price* would have been retained as a prominent element of CS in the context of this research (i.e. an emerging economy and a scenario that relates to a durable, complex high-risk product category), attributes that relate to price were merged with value (that suggests quality) and processes (that signifies protection/support from the store).

Similarly, the element *Product* was not distinguished as an individual element of CS in the context of this research. While brand name is generally used as an indication of product quality as well as status (Erdem *et al.*, 1999:137) the significance of product and all the relevant attributes could not be confirmed as a distinguished element of CS. Instead, the original element *Product* was integrated with other descriptors to signify the connotation with a package presentation where price and product and superfluous support are offered simultaneously.

The third element represents a combination of attributes of two elements of the original scale, i.e. aspects relating to the physical environment as well as certain aspects associated with processes. This element of CS contained attributes that are associated with a safe environment, easy access to parking, a spacious, clean

department with a convenient lay-out where good quality merchandise is displayed. Attributes that relate to clear, visible pricing, comparable prices (between stores) and prices that coincide with advertised prices were also included. This supports a previous study that reported that price *per se*, is not necessarily regarded a priority in a service environment in an emerging economy where a diverse consumer group is served (Marx & Erasmus, 2006:66).

5.2.1.2 Consumers' satisfaction with CS

Consumers' satisfaction with the various elements of CS was expressed on a five-point Likert-type scale. Means of 4.01 for Personnel (SD 0.71), 4.03 for Processes and Value for money (SD 0.61) and 3.79 for Product presentation (SD 0.75) signify that customers' satisfaction was above average to good for all three elements of CS. The findings suggest that retailers' service offering mostly coincide and even exceed customers' expectations for each of the elements of CS.

In a study that was executed in the same geographic area in terms of the service offering in supermarkets, personnel-related attributes were identified as main contributors towards intolerable CS. In that particular context rude, unfriendly behaviour and incompetence were mentioned as major frustrations during service encounters in supermarkets (Marx & Erasmus, 2006:65). Similar problems could be particularly problematic in an appliance sales environment where personnel have to be approachable and well informed to assist consumers with highly sophisticated technology, i.e. complex buying decisions and where sales personnel are expected to be knowledgeable and well informed. While trust is a universally accepted basis for any human interaction (Jacobs *et al.*, 2001:50), poorly trained personnel may cause hesitancy during interaction with customers in the store and destroy any opportunity to create the trust that is required during consumer facilitation. Fortunately it seems as if consumers were more than satisfied with the personnel's performance and attitude in the store. It must however be noted that satisfaction could be based on limited expectations (Gummesson, 1988:18) and that satisfaction with this particular element of CS does not necessarily guarantee service excellence.

Other measures therefore had to be used to determine whether consumers' positive judgement was valid.

A mean satisfaction score of 4.03 for *Processes and Value for money* reflect a positive judgement, i.e. that consumers' expectations regarding the customer support of the store, were mostly met.

Consumers' mean satisfaction with the element *Product presentation* was lower than the means for the other elements (3.79) but it was still above average. Compared to the other elements of CS, retail stores could probably make more effort to improve on matters that they have control over. This particular element included attributes such as product display, easy access to products in the store. Although one may assume that the physical environment in retail chain stores would be more basic than elaborate, in this research the original elements *Physical environment* and *Processes* were integrated into this new element that was labelled *Product presentation* and that puts more emphasis on the display and presentation of appliances so that the environment is more conducive for the evaluation of alternatives.

Analysis of variance (ANOVA) was used to investigate a possible relationship between each of the three newly identified elements of CS and specific *demographic variables*, i.e. the *gender of respondents*; *years of experience with appliances* as well as *how easy they perceived the buying decision* to be (Findings are presented in Table 4.2).

No significant relationship between *gender* (Female: n=201; Male: n=93) and respondents' judgement of any of the three dimensions of CS (Table 4.2) was confirmed. Although literature indicates that men tend to be more sceptical about technology, it could not be confirmed in this research.

Years of experience with appliances in their own households however seem to have a significant inverse relationship with consumers' judgement of CS: consumers with more than 25 years experience were significantly less satisfied with *Personnel* (Element 1)

than the other groups ($p \leq 0.05$). The same applies for *Processes and Value for money* (Element 2) ($p \leq 0.02$). In terms of *Product presentation* (Element 3), respondents with 9 to 15 years experience as well as those with more than 25 years experience were significantly less satisfied ($p \leq 0.01$). The findings therefore indicate that consumers who have more extensive experience are less satisfied with all the elements of CS. This is also evident when judging means for the various age categories on face value only: although differences in the means are not necessarily statistically significant for all the intervals, there is a noticeable decline in customers' satisfaction with CS as experience increases. When consumers are more experienced, their expectations change due to an experienced based cognitive framework on which they can rely during store visits. Personal experience contributes to a more elaborated expectations framework and inevitably consumers would become more aware of shortcomings and probably also less tolerant. In an emerging economy such as South Africa where prominent retail stores are patronized by a broad spectrum of consumers, it is recommended that the CS is designed to meet the needs of less experienced consumers even if they not necessarily know what they are missing out on if the service is lacking. Evidence that more experienced consumers are less satisfied, indicates that the overall satisfaction figures (that were positive) should not be used as the only indicators of whether stores are performing optimally. It is recommended that a follow-up study be done to investigate the needs of more experienced consumers so that their recommendations could be used to augment the service offering to the benefit of all.

Likewise, respondents that indicated that it was *easy to conclude the buying decision* were significantly less satisfied with *Product presentation* (Element 3). This indicates that consumers, who are confident, are more sceptical and/or expect more in terms of how appliances are displayed and presented in the store. Denominators included in this element of CS involved the display and availability of manuals for inspection by consumers in the store; comments on the location of appliances in the store; an evaluation of in store promotions and demonstrations that would make it easier to judge the performance and functional properties of appliances; judgement of the availability of new and interesting products as well as models in different price ranges. The overall mean satisfaction of consumers with respect to this element was lower

than the means for the other two elements of CS. Acknowledging a significant lower mean for those who were confident decision-makers, signify room for improvement. This is particularly noteworthy because any improvement in this regard would inevitably also benefit other consumers who not necessarily realise what they are missing out on.

Within the systems perspective, it is postulated that consumers would judge a store's service offering on the factor level, i.e. in terms of the individual elements of CS (in this research a positive judgement was concluded for all three elements of CS) as well as a judgement of CS on the integrated level where shortcomings of one element of CS can possibly be negated by positive judgements of the others or *visa versa*. In this research, all three satisfaction judgements on the factor level were positive and within the same judgement range, i.e. above average. Respondents were therefore also asked to react to a single item question by means of a Smiley scale in terms of whether they were dissatisfied, neutral or satisfied with the CS of the store. This question was used to affirm the findings of the previous scale. Although 38.8% of the respondents (n=115) indicated that they were satisfied with the CS, almost half of the respondents (49%; n=144) were neutral, i.e. neither satisfied nor dissatisfied. This indicates hesitance to express an exact view and probably confirms extant research findings that consumers in a developing country have lower quality expectations and therefore demonstrate a wider range of tolerance for ineffective services (Malhotra *et al.*, 1994:3). Of importance in this research, is that consumers were not overly satisfied with CS when asked to respond to their experience in general through a single item index, but when they had the opportunity to respond to specific discriminators of CS, their satisfaction was above average. Considering that consumers in a developing country have been reported to have lower quality expectations (probably due to limited experience) and that they therefore demonstrate a wider tolerance for ineffective services (Malhotra *et al.*, 1994:3), one could infer that any negative judgement from consumers' point of view should be taken more seriously in terms of an indication of how CS could be augmented in favour of informed, responsible buying decisions. The single item index indicated that the majority of consumers were

not satisfied, which means that retailers need to take action to improve their service offering.

5.2.2 Consumers' perception of the Service Quality in appliance sales departments in retail stores

5.2.2.1 An identification of the dimensions of SQ

An investigation of consumers' judgement of customer service involved a judgement of retail stores' service offering in terms of tangible elements of CS and related attributes. The content of the scale was based on literature and constructs were such that consumers could identify with them and comprehend them easily. However, when the service offering of retail stores is investigated, it is generally done in terms of the service outcome, i.e. consumers' perception of Service Quality (SQ). In order to do so, a SERVQUAL scale that predominantly focuses on intangible denominators that serve as an indication of how the service offering is perceived by customers, was included in the survey. This measurement was also included in this research to ascertain whether consumers' judgement of SQ would coincide with a judgement of tangible evidence of CS. The notion was that a judgement of SQ might produce more favourable responses because (as suggested by Malhotra *et al.*, 1994:6), consumers in emerging economies apparently tend to judge services differently and seem to be more tolerant and forgiving of poor service delivery. The five dimensional SERVQUAL scale of Dabholkar and co workers (1996:7) was chosen for the purpose.

Exploratory factor analysis revealed that the respondents in this study judged the SQ in terms of only two broad dimensions that represented a re organization of attributes of the original SERVQUAL scale (Table 4.3). The content of the two dimensions were analyzed and labelled *Supportiveness* and *Impressiveness* to reflect the content/denominators of the respective scales. This outcome conforms with previous researchers (Lehtinen and Lehtinen, 1982) that favour two dimensions for SERVQUAL scales and suggest that one dimension describes the human interaction component of service delivery (in this research the element *Supportiveness* equals this view) while

the second dimension involves extrinsic quality (in this research: *Impressiveness* confirms this view), which includes some tangible aspects and the physical quality of the service offering. This research applied exploratory factor analysis to objectively evaluate consumers' perception of SQ in a specific retail setting in an emerging economy. It is suggested that customers evaluate SQ in retail both at the attribute and the integrated level. The reduction of the elements of SQ from five dimensions to two, indicates a less intricate, more integrated judgement in the context of this research.

This research concludes that in the context of this research, i.e. an emerging economy where the prominent retail store targets consumers across a broad socio economic spectrum, consumers perceive the service quality in appliance sales departments on a more integrated level, thus in terms of two dimensions in stead of five as suggested in the original SERVQUAL scale, namely human oriented variables that can be referred to as the *Supportiveness* dimension as well as extrinsic qualities that reflect the *Impressiveness* attributes.

Consumers' discrimination of the *Supportiveness* dimension indicated their sensitivity for the human-orientated aspects of service quality, which correlates with previous findings that the human aspects of a retail transaction are a priority to customers in developing countries (Malhotra *et al.*, 1994:3-5). Attributes that pertained to this dimension of the service offering, were: sensitivity of salespeople and their commitment to keep their promises; confidence that transactions are executed correctly the first time; assurance that merchandise will be available; trust in the dealings with the store, prompt attention from salespeople; assurance of personal attention, courteousness of personnel and competence of salespeople to handle complaints. Consumers' perception of this particular dimension of SQ primarily depends on the personnel: the number of personnel that are available to attend to the customers in the store promptly so that they do not feel neglected; their personal commitment to the clients (which may be contradicting in terms of their obligation toward their employers at times), their competence to handle queries and problems as well as their people skills in order to differentiate between different types of

consumers and to act accordingly. These qualities inevitably exert pressure on management to employ personnel who have the potential to conform and to provide training or opportunity for training to ensure that they are competent and confident in their demeanour. Unfortunately previous research indicate that sales personnel in retail in South Africa are not always highly regarded in terms of basic salaries and employment status, and this may be discouraging in terms of the attraction of devoted, loyal employees.

The second dimension that was distinguished through factor analysis, i.e. *Impressiveness* evolved around characteristics of the physical environment and convenience of the shopping experience. Attributes that were grouped as part of this dimension of SQ included: an impression that the store is modern, visually pleasing, up to standard, spacious, safe and secure, convenient (also in terms of operating hours and opportunity to use different payment methods. Convenience also entailed assurance of error free transactions, assistance by knowledgeable, willing salespeople, provision of sufficient and correct information about services, and easy return and exchanging of goods.

This research concludes that SQ, in the context of this research, implies a dimension that assures support and that suggests a contribution of sales personnel to achieve it. SQ however also implies aspects of the service offering that will impress the customers, which could be related to the image of the store and/ or attributes that will exceed their expectations. Stores will therefore have to refrain from stagnation.

5.2.2.2 Consumers' perception of the SQ in retail stores

Respondents' perception of the various items in the SQ scale was judged on a five point Likert-type scale and produced means of 3.88 and 4.08 (Cronbach alphas: 0.93 and 0.86) respectively for the two dimensions of SQ. This reflects an above average positive judgement of the SQ in appliance sales departments for both dimensions, which suggests that the service offering mostly coincide with consumers' expectations. A positive judgement was expected due to evidence that customers in

emerging economies tend to have higher tolerance levels and lower quality expectations with regard to service delivery. Previous researchers also suggest that in emerging economies, consumers tend to focus on core benefits of the service rather than added benefits (Malhotra *et al.*, 1994:7). The collapse of the five dimensional scale to two dimensions supports the latter. However, means of 3.88 and 4.08 do not suggest that consumers regard the service offering as outstanding. Especially regarding the *Impressiveness* dimension, there is room for improvement.

In the context of this research the service quality judgements were above average to positive. Means however suggest that there is room for improvement considering that the findings were probably based on limited expectations frameworks and that consumers were more tolerant of shortcomings as is suggested in previous research. Findings therefore indicate that it would be unwise for retail to be enthusiastic about these positive judgements and that it would be risky to base future strategies on a single evaluation of SERVQUAL as it might not produce the correct impression of the level of excellence of the service and what could be done to augment the service offering to an exceptional level.

5.2.3 An assessment of consumers' product knowledge

5.2.3.1 *Product knowledge as an indication of consumers' ability to conclude informed, responsible buying decisions*

Consumers' product knowledge is a major concern in terms of their ability to make informed, responsible buying decisions. Limited product knowledge can also cloud customers' expectations regarding CS and SQ and consequently result in positive CS judgements that are not necessarily substantiated in terms of service excellence. It is alarming that customers seem to be satisfied with CS and SQ despite lack of evidence that the in store encounter enhanced their ability to make informed buying decisions. John (1999:11) explains that consumers in an emerging economy do not have sufficient structural and transactional knowledge to ensure satisfying and responsible buying decisions. These consumers generally do not have shopping

scripts to rely on, and they do not have shopping skills and an understanding of the consequences of the transaction that could result in an understanding of marketplace transactions.

This research proclaims that in these contexts the CS in department stores has to be augmented to significantly to provide the much needed assistance for the consumers. The responsibility can however not simply be reverted to the salespeople in terms of their effort and customer approach. Findings of research by Makgopa, Kachale and Erasmus in Tshwane, RSA in 2004 (Erasmus *et al.*, 2005:95) indicated that consumers do not rely on salespeople for information, but prefer to trust brand names, guarantees and a retailer's reputation.

The notion that consumers' judgement of customer service and service quality in this research would produce favourable judgements because consumers in emerging economies have been reported to be more tolerant of poor service delivery, instigated the inclusion of a knowledge test in this survey. The researcher assumed that consumers should, after their buying encounter, at least be acquainted with the basic functional and performance attributes of the appliances that they purchased in the respective stores on the specific day because consumers completed the questionnaires immediately after closure of a sales deal. Theoretically, they therefore had every opportunity in the retail store to investigate product alternatives and to consult information sources, whether personal or non-personal in terms of information they thought they required to conclude informed buying decisions. It was assumed that the findings of the knowledge tests would be a sign of whether consumers were properly informed during the service encounter. It was hoped that satisfied consumers (in terms of the customer service judgement) and consumers with a positive perception of the service quality of the store (SERVQUAL judgement) would perform well in the knowledge tests because they were supposed to be confident about their purchases by the time they were leaving the store. Low scores in the knowledge tests would indicate an inability to conclude informed buying decisions and probably then also indicate shortcomings in the service offering that limited opportunity for consumers to become better acquainted with the products they

purchased in the store that day. In a previous study that involved a script elicitation procedure for the acquisition of major household appliances (Erasmus *et al.*, 2002:3), the researcher concluded that buying decisions are predominantly determined in the store: consumers apparently set off to purchase their appliances, but depend on the in store environment for the cues in terms of what to purchase. These cues include personal as well as non-personal information sources. Low knowledge scores and positive customer service and service quality judgements would *inter alia* indicate a discrepancy in terms of consumers ability to objectively judge the service offering and may be a sign of shortcomings in consumers' expectations framework regarding optimal service offering of the stores, or indicate a higher tolerance for poor customer service, as was suggested by Malhotra (1996).

Detailed results of the knowledge tests as presented in Table 4.9 reveal that consumers' product knowledge and their comprehension of the functional and performance characteristics of the appliances were poor, notwithstanding the risk involved in the purchases in terms of the expected service life of appliances (functional and performance risk) and the money involved in the transactions (financial risk). These figures are not in congruence with consumers' satisfaction judgement of the Customer Service of the store. Neither do the low product knowledge scores affirm consumers' above average judgement of the Service Quality of the appliance sales departments of the store. One could deduce that consumers' limited product knowledge signifies limited expectations, i.e. limited cognitive ability to assume what they are missing out on and could then have affected their confidence to criticize the stores' service offerings negatively. These judgements would therefore never disclose shortcomings in the service offering and would not raise complaints that would raise concern with retailer to augment the service offering.

The research therefore concludes that consumers, in the context of this study, even after the service encounter, could not convince that their satisfaction with customer service and their positive judgements of the service quality of the stores were based

on appropriate expectancy frameworks in terms of how they were supposed to benefit from an in store experience.

Consumers' product knowledge scores were too low for them to have concluded informed, responsible buying decisions and from a Consumer Science perspective, one would expect stores to provide services that provide for even inexperienced consumers, to make informed, responsible buying decisions with regard to a complex product category such as major household appliances that are supposed to be functional for a decade or more because, amongst others, appliances are too expensive to replace at regular intervals.

5.2.3.2 Consumers' product knowledge related to gender; years of experience with appliances as well as ease of making the buying decisions

This investigation aimed to identify influences that could positively affect consumers' product knowledge so that those could be capitalized on during efforts to augment the service offering in retail stores. It was anticipated that consumers with more extensive product related experience would perform better in the product knowledge tests and that experience would be more conducive for informed responsible buying decisions.

No significant difference between the product knowledge of male and female respondents could be confirmed. Males' mean scores were higher for tests relating to dishwashers, washing machines and tumble dryers while female's scores were higher in terms of tests for the fridge/freezers and the microwave ovens (the two appliances that were owned by a larger percentage of the households). Differences were however not significant. The knowledge scores reflect the score for the individuals who actually filled out the questionnaire. In some instances both spouses were present in the store and they could have consulted before completing a question. Results therefore indicate the best guess for the individual or the couple at the point in time.

The research concludes that, in the context of this study, no significant relationship between gender and the consumers' product knowledge could be confirmed for any of the major household appliances that were included in the product knowledge test.

Consumers with more than 25 years product related experience achieved higher scores for all the appliances except for dishwashers. Although experienced consumers' mean scores were generally higher, the scores are nevertheless too low to confirm the possibility of informed buying decisions in terms of the functional and performance characteristics of appliances.

This research concludes that even experienced consumers could not convince (through the findings of the product knowledge tests) that they were more competent to conclude informed, responsible buying decisions.

Low product knowledge scores for experienced consumers could possibly be attributed to rapid and continual changes in household technology. If a household replaces an appliance after ten or more years, the consumer would probably be overwhelmed when confronted with new product alternatives that are offered in the store. Although the product knowledge test aimed to cover only basic functional and performance attributes of appliances, this outcome is probably one of the most important indicators of shortcomings in the service offering in retail stores. Even if experienced consumers are hypothetically probably more hesitant to demand the assistance of personnel in the store during the product evaluation process, other elements of customer service such as in store displays, promotional materials, printed matter should evoke curiosity so that consumers are more willing to seek information about product characteristics they are less familiar with. The availability of non-personal information may also overcome the concern raised in previous research, i.e. sales personnel's proposals are not necessarily trusted because they, in many cases, sell for personal gain to meet sales targets so that they could earn higher commissions and sales incentives.

The presumption was made that consumers who found it difficult to conclude a buying decision, would probably not obtain high scores in the product knowledge tests. Almost half of the respondents (n=141; 47.6%) declared that the buying task was easy to perform. Although the mean scores for respondents who thought that the task was easy to perform, were the highest for four of the five appliances, namely dishwashers (2.54/10.00), fridge/freezers (4.07/10.00), microwave ovens (5.04/10.00) and tumble dryers (2.91/10.00) compared to respondents who were indifferent or who thought that the decisions were difficult to conclude, their scores were too low to confirm their ability to have made informed, responsible buying decisions. Consumer facilitation is more complicated in conditions where consumers are confident and of the opinion that they can manage on their own. These findings indicate that all consumers should be considered vulnerable even if they appear to be confident. Under such circumstances non-personal information sources could be invaluable to stimulate awareness and curiosity so that consumers become inspired to investigate the options in the store and eventually consult sales personnel if they wish to do so rather than to feel pressurised. One can assume that consumers who are confident and who think that it is easy to buy a new appliance would not necessarily consult personnel when they enter the store and that alternative elements of the service offering should be augmented to attract their interest.

In the findings of this research, the particular elements of customer service that could be augmented to serve the needs of consumers who do not realize that they need support, are the elements (1) Processes and Value for money (which relate to trust in the store and clear indicators of price and quality as well as the ability to compare products with ease) as well as (2) Product presentation (which relates to the availability of a range of products in an environment which is conducive for product evaluation). With respect to the dimensions of Service Quality, attributes that would enhance the Impressiveness dimension (rather than Supportiveness dimension) should be attended to, to address the needs of confident consumers. During consumers' judgement of the Service Quality of the retail stores, the SERVQUAL judgements of respondents who thought that the buying decision was easy to conclude were significantly lower for the Impressiveness dimension of Service Quality.

Findings revealed that consumers who experienced difficulty to make buying decisions and who scored poorly in the product knowledge tests nevertheless indicated that they were satisfied with the CS. This suggests that consumers in the context of this research probably do not have high expectations of the CS and/or are hesitant to indicate that they are not satisfied with the service, i.e. more tolerant to their own detriment. The element of CS that was scored the lowest was *Product presentation*. This clearly indicates a specific dimension of the service that should be attended to in terms of visible, tangible evidence, i.e. display of appliances; availability of manuals to use during investigations; availability of new and interesting products in different price ranges. The outcome of the product knowledge test confirms the need for change in CS in retail despite customers' positive judgements of CS and consequently, also SQ.

5.2.4 An in store assessment of the service offering in retail stores by store management

The visual presence of aspects that relate to the various elements of CS in the appliance sales departments in the selected retail stores was assessed with the intention to identify shortcomings that could be augmented to the benefit of consumers' potential to conclude informed buying decisions. One store of each of the channels was selected randomly. A score sheet that contained denominators of the respective elements of customer service was designed and a representative of the store assessed the various denominators in each of the selected stores in the presence of the researcher. The checklist was based on a conceptualization of CS in terms of the six original elements of CS and was used to assess the presentation of CS (i.e. *products, price, physical environment, personnel, processes, promotions*) in the five selected stores. Although the elements of CS were reorganized in terms of three elements in phase 1 of this research, the original conceptualization of CS in terms of six elements was applied during this phase because it was performed as the introductory phase to confirm the non-threatening approach of the survey with store managers. This was of utmost importance to gain approval for the time consuming data

collection processes during the consequent data collection phases amongst customers and personnel later on.

Findings show that stores not necessarily attend to the individual elements of CS in the same manner. Certain elements of CS seem to be neglected/overseen in certain stores. It was never intended to compare the service offering of the different channels, findings however indicated that only one of the five stores obtained an *Excellent* rating for its integrated presentation of all the elements of CS. The service offering of two stores was interpreted as *Good* and two stores only managed to obtain *Average* ratings. The *Promotions* aspect of the service offering was identified as the most neglected element of CS. In terms of the overall score for the stores, this negative rating was mostly outbalanced by the positive assessment of two of the elements, *Price* and *Physical environment*. The one element of CS that is apparently attended to more meticulously by retail stores than the other elements of CS is *Physical environment*. This is commendable and could contribute to a pleasurable in store experience. However, retailers have to augment this element of CS despite the positive judgement because consumers who were more experienced and those who thought that the buying process was easy to conclude, were less satisfied with this element of CS. Considering the powerful stimulus of the physical environment on consumer behaviour, stores should focus on this aspect to guide the buying decision of the consumer (Bruner, 1990:94). Within the systems theory, it becomes clear that positive judgements could negate negative judgements to the extent that the integrated judgement for a store could turn out to be positive despite serious shortcomings. This assessment confirms that a positive presentation of *Price* that not necessarily primarily contributes to informed buying decisions, may attract customers to a store and set the mind of management at ease while the store's service offering in fact has serious shortcomings that should be attended to. The lower scores that were obtained for the elements *Products* and *Processes* by three of the five stores indicate areas of concern. These two elements in particular are important in terms of exposure to goods in the store and assistance to consumers during and after the in store encounter. In terms of efforts to augment CS, these negative assessments should be noted. Other researchers agree that when consumers buy high risk products like

expensive household appliances (Burton, 1993:383), stores should be more concerned about satisfying the needs of their customers and to limit their risk perception (Sweeney *et al.*, 1999:77), than to exhibit an impressive product array.

One of the stores only managed to get a positive rating for the element *Price* and obtained *Average* to *Poor* ratings for the remaining five elements of CS. This confirms an emphasis of price, probably in an attempt to push sales though it is done to the detriment of other elements of CS. This reflects a situation that is not conducive for optimal service delivery and where informed buying decisions would probably not be enhanced. Overall, *Price* was attended to more meticulously than the other elements of CS. Although this strategy could benefit consumers financially, it is most probably formulated to favour sales (Chandon *et al.*, 2000:65) i.e. decisions within an economic perspective. In the end, all the other stores obtained *Good* to *Excellent* ratings for the same element (*Price*). This store's emphasis on price does therefore not necessarily provide them with a competitive advantage in the market. According to the behavioural perspective model, consumers' personal evaluations of the product and their resulting behaviour will be influenced by functional benefits as well as the informational benefits of the product (Creusen & Schoormans, 1998:551; Soriano & Foxall, 2002:139). If image building properties and the symbolic role of the product is enhanced, inexperienced consumers may therefore be tempted to buy the product and will not necessarily be put off by a higher price. On the other hand, cheaper prices are often used to enhance the sales of certain products or patronage of certain stores. The consumer should however be supported in making an informed responsible decision when buying a durable household product that is not determined by a high or a low price.

Only one of the stores obtained a total score that signified an *Excellent* CS offering across all six elements of CS. Two of the stores could not confirm an *Excellent* score for themselves on any one of the elements of CS. One may therefore conclude that the service offering of the majority of retail stores have room for improvement. Because this assessment was made by representatives of the stores themselves, these shortcomings can be regarded unbiased. Consumers' positive judgement of CS in

the appliance departments of retail stores was therefore not supported by retail's own judgement of their service offering.

Bendall-Lyon and Powers (2004:114) accentuate the significance of satisfaction in terms of the outcome of the service delivery process. The way in which the service is presented will influence consumers' perception of the efficiency and purposefulness of the store in with regard to their product needs. This may influence a consumer's choice of store in future (Bendall-Lyon & Powers, 2004:114). *This research however concludes that, despite consumers' apparent satisfaction with the CS in the appliance sales departments of retail stores and their positive perception of the SQ in this research, the majority of retail stores that participated in this research acknowledged shortcomings in their service offering.* Two elements of CS that are generally offered on a more impressive level, namely Price and Physical environment while two elements of CS that are more crucial in terms of informed buying decisions, namely *Products* and *Processes* were assessed less favourably in the majority of the stores.

5.2.5 Augmented customer service from the perspective of experienced sales people

Sales personnel's recommendations with regard to augmented CS, i.e. to create a sales environment that would enhance informed, responsible buying decisions were obtained through participation of 18 salespeople in a written projective technique that implied spontaneous reflection and deliberation through a written narrative. Systematic open coding of the text was done to identify concepts that related to the original six elements of CS (products, price, physical environment, personnel, processes and promotion).

Salespeople referred to their own contribution in terms of augmented CS more frequently than any other element of CS. Apart from attending to the role of salespeople in terms of consumer facilitation, they however also spontaneously elaborated on aspects that deter their contribution at present, namely role conflict, role ambiguity, lack of motivation, lack of training and poor relationships with

management. Emphasis on the human element of CS concurs with recommendations for consumers with less experience (Malhotra *et al.*, 1994:3-5) but differs from what has been reported from consumers' perspective (Erasmus *et al.*, 2005:97; Marx & Erasmus, 2006:65), i.e. lack of trust in personnel. Harvey McKay once said: "People don't care how much you know until they know how much you care" (Marino, 2001:14). Trust must be created, and if the salesperson appears to be an expert, the face-to-face communication with the customer will be more persuasive, as the salesperson will be regarded as a credible source of information (Gothan & Erasmus, 2003:100). It is therefore important that the manager of the store pays attention not only to the store architecture, its layout, the merchandise and its display, but also to the engineering of effective salesperson-customer interactions to improve satisfaction and repeat purchase (Menon & Dube, 2000:285). Positive relationships between sales personnel and consumers however have to be salvaged by sales personnel through their actions and interaction in the stores (Beatty *et al.*, 1996:225). Attitude of personnel was mentioned as the most prominent factor required to enhance CS in the departments. Considering the frequency mentioned, it meant that several of the respondents mentioned this personal trait more than once to accentuate the significance of their proposal. Employees that feel good about themselves, will provide better quality service and facilitate customers better (Chitwood, 2000:5; Fish *et al.*, 2002:2; Graham, 2002:3; Musser, 1995:3).

The availability of salespeople to attend to customers' needs, competence through better training and knowledgeability were used as additional descriptors. Reference to clear job descriptions by a few probably indicates that sales personnel are expected to do a variety of tasks that may be counterproductive, confusing, frustrating and may interfere with what salespeople perceive to be their main responsibilities and that these should be clarified. A value-based management system is recommended where the wisdom, creativity and knowledge of every employee is acknowledged in terms of its potential contribution towards the company (Chopp & Paglia, 2002:1; Dubinsky, 1999:5). Sales personnel eventually implement CS, but management must be committed to its employees and to its

customers and make allowances to optimise CS (Beatty *et al.*, 1996:225; Graham, 2002:3).

Reference to the element *Processes* also suggest that participants mentioned it more than once. Participants in particular mentioned characteristics that are associated with peace of mind and attempts to minimize frustration through error free transactions and after sales support. This coincides with consumers' apparent regard for the human aspect of CS as postulated by Malhotra *et al.* (1994:3-5) and which was confirmed in this research through one of the two newly identified elements of CS (i.e. Supportiveness).

Products were referred to in terms of three concepts. Product availability was however mentioned more frequently than product quality. This may indicate a supply-demand concern that not necessarily addresses augmented CS. This discloses an area of concern because, from a consumer facilitation point of view, one would have expected sales personnel to be more concerned about the quality for the sake of augmented CS.

Not all participants included *Price* in their proposals for augmented CS. Those who did mention price indicated that prices should be displayed visibly and correctly, which suggests efforts to reduce frustration and to inform customers properly rather than a focus on affordability. The survey amongst store managers revealed that price was scored fairly positively and that the scores for this element of CS were comparable for all of the participating stores. When making their suggestions for augmented CS, the salespeople may thus have been under the impression that prices are competitive any way, which explains why no mention was made of affordability in the projective technique.

Less than fifty percent of the participants mentioned *Physical environment* as a contributor in terms of their proposals for augmented CS. This may indicate that personnel are blasé in this regard and have not necessarily thought that the environment in a department store could be improved to be more conducive for

informed, responsible buying decisions. On the other hand, no further explication of how the physical environment could be improved/ changed may be attributed to the fact that the physical surrounding in the stores were generally regarded fairly satisfactory in terms of what is offered in department stores. The assessment of the elements of CS by managers of the stores through the in store survey revealed that this specific element of CS is apparently attended to more attentively than any of the other elements of CS (see Table 4.13). Participants therefore probably did not consider physical facilities as is, non-conducive for optimal service delivery.

The element *Promotions* was referred to least often as a contributing factor towards augmented CS. Similarly, this element of CS seemed to be the most neglected element of CS (see Table 4.13). The potential contribution of promotions towards informed buying decisions may thus not be understood or highly regarded.

5.2.6 Industry's responses to the service offering in appliance sales departments in retail stores

Any proposal for augmented customer service in appliance sales departments in retail stores have to acknowledge the potential contribution of industry. Contact with industry followed a qualitative approach and involved personal interviews and/or telephonic interviews with individuals in managerial positions, specifically individuals who are responsible for marketing issues and liaison with retail. Participants reacted to pre-determined questions and their comments were summarized. In none of the discussions the names or the responses of the other contributors were disclosed or referred to.

Four major role players in terms of the distributors of brands that are prominently offered in department stores were interviewed successfully. Every one of the individuals, who were eventually reached for comment / participation, was willing to share thoughts and was very helpful. All agreed that the potential contribution of industry in terms of augmented customer service with an intention to enhance

informed, responsible buying decisions is limited to certain elements of customer service.

With respect to personnel, all agreed that in terms of the employment of competent personnel and their conditions of employment, industry couldn't be held responsible. Industry does however contribute in terms of the training of personnel. This is done on a regional basis in terms of their own brands and training is offered regularly in terms of new products to ensure that sales personnel are kept informed. This training is however not compulsory and is done in personnel's own time. Training therefore implies that salespeople are not at work and do not own income during the training. Industry highly regards the contribution of well-trained personnel and invests time and effort in their training as is recommended in extant research (Decker, 2002:2-3; Fish, Wittman & Arnett, 2002:1-2; Marino, 2001:4). Personnel are however offered incentives on sales, that may differ from one supplier to the next and this may create conditions where products are boosted for personal gain (i.e. for the sake of the incentives) rather than to address the needs of customers who request their assistance. Consumers' hesitation to trust salespeople is therefore founded. All participants confirmed this problem but no solution was offered as nobody seemed willing to do away with this practice. In previous research, it was reported that sales based incentives create tension in the workplace because colleagues compete for clients rather than to cooperate and assist one another.

Industry's efforts to train salespeople to provide assistance in the store are also meant to enhance/ promote the image of their brands. Participants admitted that sales personnel may be inclined to ensure that the products that would earn them greater imbursement on sales would be cared for better in terms of the availability of promotional materials, brochures. One of the spokespersons indicated that they therefore tried to provide basic, need to know information to clients through posters, stickers and written material to ensure that clients who prefer to investigate products on their own, are informed. More than one participant mentioned that the availability of written material such as brochures in the stores is problematic because it is

sometimes not displayed, or visitors to the store who are not necessarily seriously interested in buying appliances take the brochures.

Participants also agreed that the physical environment, in terms of the visual appearance, displays, general conditions in the store that creates opportunity to compare appliances, is the responsibility of the store. Although effort is made to ensure that appliances (brands) are displayed properly, industry has little control over the eventual conditions in the store.

Industry contributes in terms of price through agreement to participate in special promotions: this is done to increase sales and is not done to enhance informed buying decisions.

With regard to after sales service, i.e. processes that are in place to support consumers during use, industry has a major responsibility to provide the service, spare part etc. This is reflected in basic and extended guarantees. Contact with industry in this regard is however made through the retailers. The relationship between retailers and industry is therefore of utmost importance and all participants indicated that they value these relationships and attempt to retain good relationships to uphold the reputation of their brands. Due to fierce competition, the researcher got the impression that this element of CS is well in place for the reputable brands.

5.2.7 Proposals for augmented Customer Service

Literature suggests that customers are not always satisfied with CS due to gaps between their service related expectations and experience of the service offering (Gummesson, 1988:18; Parasuraman *et al.*, 1988:44). To ensure customer satisfaction, the reality should therefore coincide with, or exceed their expectations. This could occur through impressive surroundings, excellent pricing strategies or an emphasis of any of the individual elements of CS. This may be easier to achieve when customers

are ignorant, ill informed, inexperienced and when they have no alternatives to base their judgements on (limited cognitive frameworks).

Ideally the relationship between the store and the customer must be customised within the context of the service offering to understand the needs of the customer (e.g. inexperienced consumers in a context where complex, expensive merchandise is offered (Beatty *et al.*, 1996:225). When a store impresses its customers, the service offering not necessarily enhances informed, responsible buying decisions. A positive judgement of the customer service of a store or a positive rating of the service quality merely indicates congruence between customers' expectations and the service offering. In this research, the findings indicated that customers are satisfied and that their impression of the service quality of the retail stores is favourable. This research project revealed that consumers' product knowledge is very limited even after their store visits and the time spent browsing in the stores. Opportunities in the store and the in store environment in appliance sales departments in the RSA as is, are therefore not used optimally. These findings did however not reveal explicit problems in the retail environment that would evoke concern. This could unfortunately create the impression that the stores are on the right track in terms of their service offering. However, more experienced consumers seemed significantly less impressed with the impressiveness dimension of the service quality and that reflects upon conditions of the physical environment.

Augmented Customer Service in an emerging economy where the needs of inexperienced consumers have to be taken into consideration would have to preempt potential problems that consumers may encounter. This could be facilitated through competent, well trained personnel as was suggested by sales people in the projective technique as well as representatives from industry during the interviews. Stores that take advantage of positive customer service and service quality judgments without effortful attempts to expand consumers' frame of reference, i.e. to inform them and to encourage them to be more inquisitive before they finalise their buying decisions, may in fact disregard an important obligation towards their customers.

This research concludes with a suggestion that augmented customer service is not necessarily achieved at the input level, i.e. though an upgrading of the respective elements of CS, but that the focus should shift to the transformation of inputs, i.e. to the way in which consumers judge and interpret the elements of the service offering. It is therefore suggested that efforts to enhance informed responsible buying decisions, should acknowledge the importance of consumers' cognitive ability to interpret information and efforts to make product evaluations easier, more understandable, and less complicated. This inevitably involves the contribution of the way in which the physical environment in the store is designed/ equipped and should focus on the contribution of personnel. Any changes in terms of these elements of CS should be directed in terms of ways in which a store's customers could be educated to take control (product related transactional knowledge).

Salespeople need to be empowered to respond to needs and problems of customers with speed and courtesy, limiting their frustrations (Graham, 2002:3, 4). A value-based management system should be followed, where the wisdom, creativity and knowledge of every worker is acknowledged and every employee in the store is perceived to add value to the store's core activities (Chopp & Paglia, 2002:1; Dubinsky, 1999:5). Competition between salespeople may be counterproductive while rewards for a job well done will serve as motivation (Marino, 2001:2). Long working hours are problematic, especially in big cities, but the salaries do not always mirror the demands on family life and personal stress. This may lead to very little job satisfaction that can result in resignations (Churchill, Ford & Walker, 1990:334). Management need to be more involved with their personnel (salespeople) because they are important links between the store and the customers. There is nothing new about the importance of the training of sales people, except that it is being largely neglected by the stores: the responsibility need to be shared by industry and retail so that the idea of training is not associated with a possibility to earn incentives, but rather to improve the service offering. Superior customer service does not result from slogans or fixed guidelines. Only training, dedication and commitment by the sales people, backed by an involved management, will (Graham, 2002:2).



The in-store environment should be attended to allow for comparative shopping and to create a pleasant atmosphere where customers are willing to “linger longer”. Through efforts to enhance the physical surroundings, stores would also elevate their image and this could contribute to a more pleasant shopping experience as well as more favourable working conditions for employees.



Chapter 6

EVALUATIONS AND RECOMMENDATIONS

6.1 LIMITATIONS OF THIS STUDY

The research was executed in Tshwane, RSA, which is one of the most affluent provinces of the nine in the country. The stores that were involved were probably better equipped than stores elsewhere in the country. It is therefore possible that customers' satisfaction with customer service as well as the service quality judgments as reported in this study would differ somewhat elsewhere in the country. Based on the findings of this research, one can however not assume that the judgments would have been more negative elsewhere because this study confirmed Malhotra's findings that consumers in emerging economies tend to be tolerable of poor service. This research therefore gives an indication of CS and SQ judgments in the context of this research and expresses the view that certain shortcomings that have been identified need to be addressed in stores all over the country in an attempt to enhance informed, responsible buying decisions in appliance sales departments in major retail stores.

In this research, the CS and SQ judgments *per se* did not reveal the shortcomings in the stores' service offering. In fact, findings might suggest that stores have little to be concerned about. The actual shortcomings in the service offering in retail stores were only confirmed after an interpretation of consumers' poor performance in the product knowledge tests. One could therefore infer that the findings would be relevant to all the stores irrespective of where they are in the country.

The sample discriminated between female and male participants. Gender did not signify a significant relationship with either the CS or the SQ judgments. During the completion of the questionnaires, spouses could however have influenced the responses of their participating partners. Although findings reveal no significant difference in the judgments of male and female participants, the findings could have differed if spouses were separated and not allowed to discuss the questions. This could however have jeopardized consumers' willingness to participate. The issue of gender could be investigated in a future study, possibly through introduction of panel discussions. However, a different outcome would not necessarily have changed the conclusions that were drawn in terms of augmented CS.

6.2 VALUE OF THE RESEARCH

This research contributes to existing theory through evidence of CS and SQ judgments in an emerging economy. In the course of the data analysis, the CS scale as well as the SERVQUAL scale was revised in terms of less intricate scales.

Exploratory factor analysis revealed that, in the context of this research, CS was judged in terms of three elements that exposed the apparent significance of personnel in the store; processes and value for money (rather than explicit emphasis on price and product as separate elements) and the physical environment, specifically through product presentation. These elements of CS were confirmed in the SERVQUAL judgement where the five dimensions of SQ collapsed into two dimensions that distinguished the human touch of the service (therefore personnel related factors) as well as extrinsic factors (that signifies the physical surroundings). Although these judgments were above average to good, the reorganisation of the elements of CS and the dimensions of SQ provide evidence of how retail should approach the service offering to address the level of understanding/interest of its customers. During the in store survey, it became clear that stores regarded price

highly while price per se never featured as a separate entity. In stead, it is suggested that value for money need to be attended to.

The exceptional contribution of this research is in terms of the combination of Customer Service and SERVQUAL judgments with the product knowledge tests to confirm consumers' inability to make informed buying decisions irrespective of their positive judgments of the stores' service offering. The product knowledge tests revealed that, in the context of this research the positive CS and SERVQUAL judgments confirmed that consumers in emerging economies, i.e. including less experienced consumers are more tolerant of poor service delivery. Without such evidence, stores might be under the impression that they are doing well. Consequently little would be done do improve their apparent successful strategies.

6.3 VALIDITY AND TRUSTWORTHINESS OF THE STUDY

The sample size (N=296) is commendable considering the particular trying conditions under which the participants had to be recruited, i.e. in the store immediately after closure of a sales deal. Customers' willingness to cooperate was probably due to the support of the management of the stores during data collection sessions. The researcher is satisfied that the respondents eventually represented the actual target group of selected department stores. In this study the research process was carefully executed to limit errors and to ensure the validity and reliability of the data. The researcher kept track of every data collection session and follow-up sessions were held with assistants to ensure that procedures were intact. All sales personnel that participated were employed for more than a year in the particular stores and they participated willingly and enthusiastically, probably because the task allowed them to share their views on a very important issue.

A combination of data collection techniques was used to ensure that eventual conclusions were valid. The inclusion of the product knowledge test confirmed the areas that could be improved on to augment CS to a level that enhances informed

consumer decisions (i.e. assistance of well trained personnel and an improvement of the physical surroundings so that consumers are encouraged to be more curious and investigative). In the eventual phase, i.e. the discussions with representatives of industry, the concerns of the sales personnel were confirmed.

Techniques for increasing the credibility of the study during data collection included prolonged engagement, persistent observation and triangulation across sources and methods. This was done through visitation to several similar retail contexts as well as the use of multiple methods to gather data. Sufficient time was spent in each specific context to witness a replication of activities and to develop an understanding of the phenomenon. By using willing participants who have just purchased appliances from the store, to complete the questionnaires, the trustworthiness of the research was also enhanced. Various appropriate qualitative as well as quantitative data collection techniques were implemented for the purpose of triangulation and to increase trustworthiness of data (Babbie & Mouton, 2001: 76, 92; Eldabi *et al*, 2002:66).

The entire research process was planned in advance to enable conditional inter-subjectivity, as recommended by Stenbacka, (2001:552) for good quality qualitative approach although the researcher kept an open mind in terms of changes to selected procedures if the situation merited any. To enhance the credibility and objectivity of interpretation formation, on-site interaction with the co-workers occurred; negative case analysis and debriefing was done after every store visit with the study leader. The truth/reality of the research procedures, the data and the findings were confirmed as being the focus of the inquiry and not of the biases of the researcher (Babbie & Mouton, 2001:278).

A professional statistician assisted the researcher to capture and analyse the data according to the objectives of this study. The transferability of the research to other contexts, like other developing countries, is a concern. To reach an understanding of the fairly predictable behaviour of the inexperienced consumer, transferability was established by going to multiple venues to study the phenomenon.

Four questions, compiled by Lincoln and Guba, concerning trustworthiness were listed by Wallendorf and Belk (1989:70) that are important for all research. It must however be noted that the answers to these questions will differ in post-positivist research that employs participant observation and ethnographic methods.

On the first question of whether to have confidence in the findings of the research, internal validity is proposed. Internal validity is established by close interaction with the real phenomenon (Gummesson, 2002:328; Hughes, 2006:118). But as it assumes a mirroring of research with a single external reality, it should be substituted by credibility. The representations of the constructions of reality that were studied must be adequate and believable (Payne & Williams, 2005:297; Wallendorf and Belk, 1989:71). In this study 296 consumers were asked to fill in the questionnaire; all available salespeople (18), working in the specific department of the selected stores, were included in the projective techniques and four representatives from the industry were interviewed.

The second question of the degree to which findings can be applied in other contexts, is answered by the transferability of the research. Generalization, if any, is restricted to the context of appliance sales in department stores of large retail outlets in a third world context. The pretence of replication is however not offered, because any control over the research setting would destroy the interaction of variables and affect the underlying philosophy of the research method (Eldabi *et al*, 2002:66; De Ruyter & Schol, 1998:12). Reliability of the research assumes the possibility of an exact repetition, which does not fit the scenario where the human is researched as a dynamic and subjectively shaped phenomenon.

6.4 CONTRIBUTION TO THE THEORY

This research revealed that the constructs *customer service* and *service quality* need to be defined within context. In the context of this research, i.e. an emerging economy, both constructs were redefined in terms of new dimensions. The findings

can make a valuable contribution in terms of an understanding of the challenges in retail where the consequences of globalization and the needs of emerging consumer groups are incongruent. The findings of this research suggests that consumers in emerging economies, where the needs of diverse consumer groups have to be addressed simultaneously, should not be based on experience in sophisticated first world countries. In stead, services should be customized.

In terms of the methodology, this research confirmed the value of multiple measurements in research in terms of the validity of the findings. This research integrated a customer service (CS) scale, a SERVQUAL scale as well as a product knowledge test to confirm the notion that consumers in emerging economies judge services differently.

6.5 IMPLICATIONS AND RECOMMENDATIONS

The findings of this research reveal that retail stores have a major responsibility towards their customers that differ from the demeanor of the economic perspective. Instead of an emphasis on sales and profitability, retailers will have to accept some responsibility for the well being of their customers. While retailers have a constant battle to survive in a highly competitive market place, consumers in emerging economies are bombarded with sophisticated products from all corners of the world. Merchandise such as major household appliances represents complex technology and consumers not necessarily have the ability or the opportunity to obtain relevant product knowledge before they enter the store. Retail provides the ideal environment to provide the assistance that is needed to make informed buying decisions and stores should take advantage of the fact that customers' judgement of the service offering in retail stores is predominantly positive.

The researcher recommends that efforts in retail to educate customers that visit the stores should be monitored and assessed to identify successful strategies. Consumers'



limited product knowledge could be investigated to determine the consequences in terms of use and maintenance of appliances.





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APPENDIX 1



ASSESSMENT OF THE IN-STORE ENVIRONMENT BY STORE MANAGEMENT

Store:	Date:	No:
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1. PRODUCTS

	1: POOR	2: SATISFACTORY	3: COMMENDABLE	
1.1 Is the appliance section in the store easy to locate when entering the store?	No, it is difficult to locate	Not clearly visible	It is prominent, easy to locate	V1
1.2 Are similar appliances grouped together for ease of comparison by clients?	No	Only to a certain extent	Yes	V2
1.3 Are appliances presented in such a way that customers can investigate them easily?	No	Not all appliances	Yes	V3
1.4 Are appliances operational, i.e. connected to power, water and drainage to demonstrate functioning?	No	Some (less than 50%)	Mostly (more than 50%)	V4
1.5 Does the store display a variety of every type of appliance, e.g. dishwashers?	Maximum two of a kind	Mostly 3 to 4 of a kind	Mostly more than 5 of a kind	V5
1.6 Does the store stock and display appliances in a wide price and sophistication range?	No, limited to certain brands, models	A wider range, but excludes top of the range appliances	A wide range across brands and price levels	V6
1.7 Are appliances installed in matching kitchen/laundry units to give an indication of the eventual effect, social image?	No	Per exception for certain brands / products	Special displays for a variety of appliances	V7
1.8 Is information available about the technological aspects of the appliances, like water consumption, electricity efficiency?	None	Provided only when requested	Information on posters /labels on 50% or more appliances	V8
1.9 Are there demonstration models in the store to demonstrate the functioning of appliances?	None	Present but not operational	Yes, installed whenever possible	V9
1.10 Is there a possibility of showing video clips about the functioning of appliances to customers?	None	Present but not in use	Yes, used whenever possible	V10



2. PRICE

	1: POOR	2: SATISFACTORY	3: COMMENDABLE	
2.1 Are prices attached to/displayed on all appliances?	No, displayed on less than 50% of appliances	Displayed on more than 50% of appliances	Yes, displayed on all the appliances	V11
2.2 Are price-structures clear and easy to follow?	No, confusing and/ or incomplete	Information incomplete	Yes, very clear , and understandable	V12
2.3 Are special offers clearly indicated for consumers to see when they enter the department?	The "special", is indicated without details	The "special", is indicated plus new price	The "special", is indicated with new price, old price plus saving	V13
2.4 Are price tags large enough to be identifiable and to prevent confusion?	No, only a few	More than 50% of products	Yes, all tags	V14
2.5 Is the price you see the price you pay?	Generally not	Sometimes not	Yes, always	V15
2.6 Are consumers informed about all cost implications, e.g. cost of delivery, spare parts?	Generally not	Provided upon request	Yes, always	V16
2.6 Are special discounts offered to clients?	Generally not	Upon request	Yes, always	V17
2.8 Are consumers informed about special offers in the store that might be to their benefit?	Generally not	Upon request	Yes, always	V18
2.9 Are salespeople unbiased about products in different price categories?	Generally not	Not always	Yes, always	V19
2.10 Are prices of appliances competitive compared to the offering at similar stores?	Generally not	Not always	Yes, always	V20

3. PHYSICAL ENVIRONMENT

	1: POOR	2: SATISFACTORY	3: COMMENDABLE	
3.1 Is the store easily accessible from the parking area?	No	Probably	Definitely	V21
3.2 Are there clear indications at the store entrance to locate this department?	No	Yes but not obviously	Yes, very clear	V22
3.3 Is the temperature in the store well regulated?	No air conditioning	Most of the time	Always	V23
3.4 Are the corridors spacious enough for consumers to investigate the appliances properly while other consumers are present?	No, the area is very crowded	Most of the area is fine	The area is spacious	V24
3.5 Is colour intentionally used	No attention to	Only in certain areas	Yes	V25



in the department to create a pleasant atmosphere that can be associated with kitchens and laundries?	the effect of colour	of the department		
3.6 Is the lighting in the department bright enough to allow for a proper investigation of all the products?	No	Not in all areas	Yes	V26
3.7 Does the store use background music to enhance the mood in the store?	No/Too loud/ Inappropriate choice	Sometimes pleasant	Well chosen, not disturbing	V27
3.8 Does this department provide extra facilities such as comfortable chairs for customers while they are waiting for transactions to be processed?	No	Limited	Yes, the area is equipped to be comfortable	V28
3.9 Can appliances be picked up at a nearby, convenient location?	No, consumers must go elsewhere	Collections are done at the same building, but it is not convenient	Yes, appliances can be collected, loaded effortlessly	V29
3.10 Does the store create a modern, well-kept impression?	No	Acceptable	Impressive	V30

4. PERSONNEL

	1: POOR	2: SATISFACTORY	3: COMMENDABLE	
4.1 How many salespeople are present in the store to attend to customers on weekdays?	Only one	2-4	More than five	V31
4.2 How many salespeople are present in the store to attend to customers over week ends?	Only one	2-4	More than five	V32
4.3 Are the salespeople easily identifiable?	No	They wear uniforms	They wear uniforms and name tags	V33
4.4 Are all salespeople generally friendly towards the customers?	No	Not necessarily	Yes, always	Mostly
4.5 Do salespeople attend to customers who enter the department immediately?	Only upon request	After 5-8 min	Yes, immediately	V35
4.6 How much time, on average, do salespeople spend with customers?	Brief, as little as possible	As much as salesperson can afford	As much as customers require	V36
4.7 Do all the salespeople regard the customers as important irrespective of who they are?	No	Mostly	Yes without a doubt	V37



4.8 Do the salespeople make an effort to inform and show customers various models of a specific type of appliance in the store?	No, they usually focus on certain brands	Upon request	As much as customers will allow them	V38
4.9 Can salespeople give customers their undivided attention or do they have to perform other duties simultaneously?	No, they have to perform other tasks simultaneously	The mostly provide undivided attention	They will always put customers first	V39
4.10 Are salespeople well trained to answer customers' questions confidently?	No	Not necessarily	Yes without a doubt	V40

5. PROCESSES

	1: POOR	2: SATISFACTORY	3: COMMENDABLE	
5.1 Does the store deliver appliances at customers' homes in all areas?	No deliveries	Yes, at fixed rate	Deliveries free of charge within 30 km radius	V41
5.2 Will the store install the appliances after delivery?	No	Can be arranged upon special request	Yes, at minimal fee	V42
5.3 Will the store make effort to find a model for a customer if it is out of stock?	No, will recommend an alternative	Sometimes, for some brands	Yes, always	V43
5.4 Does the store offer extended guarantees on purchases?	No	On certain brands	Yes, on all brands	V44
5.5 Does the store offer cash back or discounts?	No	Seldom	Regularly	V45
5.6 Will salespeople spend time with customers even if they get the impression that the customers are not planning to purchase an appliance during that store visit?	No	Not always	Yes	V46
5.7 Are salespeople competent to redress problems in the store?	No	Not all salespeople	Yes	V47
5.8 Can consumers contact salespeople about problems that they encounter with appliances?	No	Not recommended	Yes	V48
5.9 Does the store honour manufacturer's guarantees?	No, referrals to the suppliers	Only certain brands	Yes	V49
5.10 Are customers informed about the after sales service centres and maintenance procedures for appliances before they leave the store?	No	Upon request	Yes	V50

6. PROMOTIONS

	1: POOR	2: SATISFACTORY	3: COMMENDABLE	
6.1 Does the store make effort to communicate information about appliances by means of visual material such as posters, etc?	No	Sometimes	Yes, regularly	V51



6.2	Does the store make any effort to draw consumers' attention to manuals, brochures?	No	Only in terms of certain brands	Yes, in principle	V52
6.3	Does the store make public announcements in the store to inform customers about special offers, etc.?	No	Sometimes	Yes, regularly	V53
6.4	Are special presentations done in the store to capture customers' attention?	No	Sometimes	Yes, regularly	V54
6.5	Is the department well equipped with posters, brochures of all the brands that are sold in the department?	No	Only a few of selected brands	Yes, well organised	V55
6.6	Does the store reward customers' reaction to media ad's with special discounts/rewards?	No	Sometimes	Often	V56
6.7	Are appliances advertised in different media to reach different types of customers?	No	Sometimes	Yes, regularly	V57
6.8	Does the store offer attractive incentives such as detergents to customers when purchases are made?	No	Sometimes	Yes, regularly	V58
6.9	Are promotions designed as part of the store's regular trade to create an exciting environment?	No	Sometimes	Yes, in principle	V59
6.10	Are promotions designed to draw customers' attention to many brands in the store?	No, only for selected brands	Sometimes	Yes, in principle	V60



APPENDIX 2

100
1908 - 2008



Department of Consumer Science

QUESTIONNAIRE: CUSTOMER SERVICE IN RETAIL IN DEPARTMENTS FOR HOUSEHOLD APPLIANCES

Dear Participant,

This study forms part of a research project for a Doctoral degree. The intention is to gain an understanding of how consumers evaluate customer service in department stores – specifically of the departments that supply electrical household appliances. Through this project we would like to assist retailers to improve their customer service. Thank you for filling in this questionnaire. Please give your honest opinion through out.

All information will be treated as highly confidential and participants will not be identified.

Thank you for your participation!

Alida Gothan (Doctoral Student) (082 773 4740)

Prof. Alet C Erasmus (Study leader) (+27 012 420 2575)

Departement Verbruikerswetenskap

VRAELYS : KLIËNTEDIENS IN KLEINHANDEL IN AFDELINGS VIR HUISHOUDELIKE TOESTELLE

Geagte Respondent,

Hierdie studie vorm deel van 'n navorsingsprojek vir 'n Doktorsgraad. Die doel is om insig te verkry in verbruikers se beoordeling van die kliëntediens in afdelings winkels - spesifiek in die afdelings wat elektriese huishoudelike toerusting verkoop. Ons wil handelaars op hierdie wyse help om hulle dienslewering te verbeter. Baie dankie vir die invul van hierdie vraelys. Gee asseblief deurgaans u eerlike opinie.

Alle inligting sal as vertroulik beskou word en deelnemers sal nie geïdentifiseer word nie.

Baie dankie vir u deelname!

Alida Gothan (Doktorale Student) (082 773 4740)

Prof. Alet C Erasmus (Studieleier) (+27 012 420 2575)



SECTION A / AFDELING A

FOR OFFICIAL USE: RESPONDENT NO V1

<p>How would you describe the QUALITY OF THE SERVICE OFFERING in the household appliance department of this store?</p> <p>For each statement, please circle the option that best describes your interpretation.</p> <p>Hoe sal u die KWALITEIT VAN DIENSLEWERING in die afdeling vir elektriese huishoudelike toestelle van hierdie winkel beskryf?</p> <p>Omkring asseblief by elke stelling die opsie wat u indruk die beste beskryf.</p>	Agree definitely / Stem beslis saam	Agree /Stem saam	Uncertain / Onseker	Disagree/ Stem nie saam nie	Disagree definitely / Stem beslis nie saam nie	FOR OFFICIAL USE
1. The department gives a modern impression. <i>Die afdeling vertoon modern.</i>	5	4	3	2	1	V2
2. The general impression of the department is one that is visually pleasing. <i>Die afdeling het in die algemeen 'n aantreklike voorkoms.</i>	5	4	3	2	1	V3
3. Supplementaries associated with this store's service (e.g. shopping bags, catalogues and statements) create a good impression. <i>Bykomstighede wat met dienslewering in hierdie winkel verband hou, (bv. katalogusse en fakture) skep 'n goeie indruk.</i>	5	4	3	2	1	V4
4. The general environment in the store is acceptable. <i>Die algemene omgewing in die winkel is aanvaarbaar.</i>	5	4	3	2	1	V5
5. The store lay-out makes it easy for customers to find what they are looking for. <i>Die uitleg van die winkel is so dat klante maklik vind waarna hulle soek.</i>	5	4	3	2	1	V6
6. The lay-out of this store makes it easy for customers to move around. <i>Die uitleg van hierdie winkel is so dat klante maklik kan rond beweeg.</i>	5	4	3	2	1	V7
7. When this store undertakes to do something by a certain time, it keeps its promises. <i>As hierdie winkel belowe om iets teen 'n bepaalde tyd te doen, kom hulle die beloftes na.</i>	5	4	3	2	1	V8
8. This store deals with transactions correctly the first time. <i>Hierdie winkel handel transaksies die eerste keer korrek af.</i>	5	4	3	2	1	V9
9. This store has merchandise available when customers want it. <i>Hierdie winkel het voorraad beskikbaar wanneer klante dit verlang.</i>	5	4	3	2	1	V10
10. This store provides error-free sales transactions. <i>Verkoopstransaksies van hierdie winkel is foutvry.</i>	5	4	3	2	1	V11
11. This store's salespeople are neatly dressed. <i>Verkoopspersoneel van hierdie winkel is netjies geklee.</i>	5	4	3	2	1	V12
12. Salespeople in this department have sufficient knowledge to answer customers' questions. <i>Verkoopspersoneel in hierdie afdeling is kundig genoeg om klante se vrae te beantwoord.</i>	5	4	3	2	1	V13
13. Salespeople's behaviour in this department instils confidence in customers. <i>Die optrede van verkoopspersoneel in hierdie afdeling skep vertroue by klante.</i>	5	4	3	2	1	V14
14. Customers trust their dealings with this store. <i>Klante vertrou transaksies met hierdie winkel.</i>	5	4	3	2	1	V15
15. Salespeople in this store attend to customers promptly when they enter the department. <i>Verkoopspersoneel van hierdie winkel gee dadelik aandag aan klante wat die afdeling binnekom.</i>	5	4	3	2	1	V16
16. Sales people in this department tell customers exactly when services will be performed. <i>Verkoopspersoneel in hierdie afdeling sê aan klante presies wanneer dienste gelewer gaan word.</i>	5	4	3	2	1	V17
17. Salespeople in this department are always willing to assist customers. <i>Verkoopspersoneel in hierdie afdeling is altyd gewillig om klante te help.</i>	5	4	3	2	1	V18
18. In this department customers receive personal attention. <i>In hierdie afdeling kry klante persoonlike aandag.</i>	5	4	3	2	1	V19
19. Salespeople in this department always behave courteously towards customers. <i>Verkoopspersoneel van hierdie afdeling tree altyd hoflik op teenoor klante.</i>	5	4	3	2	1	V20



SECTION A continued..... / AFDELING A vervolg..... How would you describe the QUALITY OF THE SERVICE OFFERING in the household appliance department of this store? For each statement, please circle the option that best describes your interpretation. Hoe sal u die KWALITEIT VAN DIENSLEWERING in die afdeling vir elektriese huishoudelike toestelle van hierdie winkel beskryf? Omkring asseblief by elke stelling die opsie wat u indruk die beste beskryf.	Agree definitely / Stem beslis saam	Agree /Stem saam	Uncertain / Onseker	Disagree/ Stem nie saam nie	Disagree definitely / Stem beslis nie saam nie	FOR OFFICIAL USE
20. Telephonic enquiries to this department are handled courteously. <i>Telefoniese navrae na hierdie afdeling word hoflik hanteer.</i>	5	4	3	2	1	V21
21. This store willingly accepts returns and exchanges goods. <i>Hierdie winkel is gewillig om artikels terug te neem of om te ruil.</i>	5	4	3	2	1	V22
22. This store shows a sincere interest in solving customers' problems. <i>Hierdie winkel is opreg daarop ingestel om klante se probleme op te los.</i>	5	4	3	2	1	V23
23. Salespeople in this department handle customers' complaints themselves. <i>Verkoopspersoneel van hierdie afdeling hanteer self klante se klagtes.</i>	5	4	3	2	1	V24
24. The appliances available in this department are of a high quality. <i>Die toerusting wat in hierdie afdeling beskikbaar is, is van hoogstaande gehalte.</i>	5	4	3	2	1	V25
25. This store provides convenient parking for customers. <i>Hierdie winkel verskaf gerieflike parkering vir klante.</i>	5	4	3	2	1	V26
26. The operating hours of this store are convenient. <i>Die besigheidsure van hierdie winkel is gerieflik.</i>	5	4	3	2	1	V27
27. This store accepts most major credit cards. <i>Hierdie winkel aanvaar die vernaamste kredietkaarte.</i>	5	4	3	2	1	V28
28. This store offers enough credit options. <i>Hierdie winkel bied voldoende kredietfasiliteite.</i>	5	4	3	2	1	V29

SECTION B / AFDELING B

How SATISFIED are you in general with the following aspects of CUSTOMER SERVICE in this department? Hoe TEVREDE is u in die algemeen met die onderstaande aspekte van die KLIËNTEDIENS van hierdie afdeling?	Highly satisfied / Hoogs tevrede	Satisfied/Tevrede	Uncertain / Onseker	Somewhat satisfied/ Deels tevrede	Highly dissatisfied/ Hoogs ontevrede	FOR OFFICIAL USE
1. Speedy handling of transactions / <i>Vinnige afhandeling van transaksies.</i>	5	4	3	2	1	V30
2. Convenience of store layout / <i>Gerieflikheid van die winkelluitleg.</i>	5	4	3	2	1	V31
3. Availability of new and interesting products / <i>Beskikbaarheid van nuwe en interessante produkte.</i>	5	4	3	2	1	V32
4. Availability of bargains / <i>Beskikbaarheid van winskopies</i>	5	4	3	2	1	V33
5. Signs indicating where to find products in the store / <i>Aanwysings om produkte in die winkel te vind.</i>	5	4	3	2	1	V34
6. Availability of salespeople / <i>Beskikbaarheid van verkoopspersoneel.</i>	5	4	3	2	1	V35
7. Attractive appearance of the department / <i>Aantreklike voorkoms van die afdeling.</i>	5	4	3	2	1	V36
8. Knowledge of salespeople / <i>Kundigheid van verkoopspersoneel.</i>	5	4	3	2	1	V37
9. Product variety available / <i>Verskeidenheid produkte beskikbaar.</i>	5	4	3	2	1	V38
10. Efficiency of salespeople in solving problems / <i>Bekwaamheid van verkoopspersoneel om probleme op te los.</i>	5	4	3	2	1	V39
11. Quality control of products that leave the store / <i>Gehaltebeheer van produkte wat die winkel verlaat.</i>	5	4	3	2	1	V40
12. Quality of products / <i>Gehalte van produkte.</i>	5	4	3	2	1	V41
13. In-store promotions or demonstrations / <i>Promosies of demonstrasies in die winkel.</i>	5	4	3	2	1	V42
14. Availability of manuals for appliances / <i>Beskikbaarheid van handleidings vir toestelle.</i>	5	4	3	2	1	V43
15. Availability of products in different price ranges / <i>Beskikbaarheid van produkte in verskillende prysklasse.</i>	5	4	3	2	1	V44



SECTION B continued..... / AFDELING B vervolg..... How SATISFIED are you in general with the following aspects of CUSTOMER SERVICE in this department? Hoe TEVREDE is u in die algemeen met die onderstaande aspekte van die KLIËNTEDIENS van hierdie afdeling?	Highly satisfied / Hoogs tevrede	Satisfied/Tevrede	Uncertain / Onseker	Somewhat satisfied/ Deels tevrede	Highly dissatisfied/ Hoogs ontevrede	FOR OFFICIAL USE	
16. Special offers on various appliances / <i>Spesiale aanbiedinge op verskeie toestelle.</i>	5	4	3	2	1	V45	
17. Cost implications of in-store guarantees / <i>Die koste verbonde aan waarborge wat in die winkel aangebied word.</i>	5	4	3	2	1	V46	
18. Safety relating to the environment of the store / <i>Veiligheid van die omgewing van die winkel.</i>	5	4	3	2	1	V47	
19. Availability of advertised products / <i>Beskikbaarheid van geadverteerde produkte</i>	5	4	3	2	1	V48	
20. Prices in the shop compared to advertised prices / <i>Pryse in die winkel vergeleke met geadverteerde pryse.</i>	5	4	3	2	1	V49	
21. Appearance of sales people / <i>Voorkoms van verkoops personeel.</i>	5	4	3	2	1	V50	
22. Availability of alternative payment facilities / <i>Beskikbaarheid van alternatiewe betaalgeriewe.</i>	5	4	3	2	1	V51	
23. Friendliness of salespeople / <i>Vriendelikheid van verkoops personeel.</i>	5	4	3	2	1	V52	
24. Access to loading zones to collect purchased appliances / <i>Toegang tot laaisones om gekoopte toerusting op te laai.</i>	5	4	3	2	1	V53	
25. Arrangement of appliances in the department to enable comparative shopping / <i>Groepering van toestelle om vergelykings moontlik te maak.</i>	5	4	3	2	1	V54	
26. Prices compared to those in similar stores / <i>Pryse in vergelyking met soortgelyke winkels.</i>	5	4	3	2	1	V55	
27. Special displays of exclusive appliances / <i>Spesiale uitstallings van eksklusiewe toestelle.</i>	5	4	3	2	1	V56	
28. Availability of delivery and installation / <i>Beskikbaarheid van aflewering en installasie.</i>	5	4	3	2	1	V57	
29. Space available to evaluate appliances with ease / <i>Spasie om toestelle met gemak te bekyk.</i>	5	4	3	2	1	V58	
30. Indication of prices / <i>Aanduiding van pryse.</i>	5	4	3	2	1	V59	

<p>Tick the expression that best indicates your level of satisfaction with the service in this store. Merk die uitdrukking wat u tevredenheid met die diens in hierdie winkel die beste uitbeeld.</p>		
<p>A 😊 B 😐 C ☹️</p>	V60	



SECTION C / AFDELING C

Indicate your ownership of appliances in the following table with an X/

Dui u besit van toestelle in die volgende tabel met 'n X aan

Appliance / Toestel	Today's purchase is the first for me / Vandag se aankoop is die eerste vir my	I bought one today, but have owned one before / Ek het dit vandag gekoop maar het reeds voorheen een besit	I already own these appliances / Ek besit reeds hierdie toestelle	I have never owned one / Ek het nog nooit een besit nie		
Dishwasher / Skottelgoedwasser					V61	
Fridge / Yskas					V62	
Freezer / Vrieskas					V63	
Fridge-freezer combination / Yskas-Vrieskas kombinasie					V64	
Top loader washing machine / Bo-laaier wasmasjien					V65	
Front loader washing machine / Voorlaaier wasmasjien					V66	
Microwave oven / Mikrogolfoond					V67	
Tumble dryer / Tuimeldroër					V68	

In the following section, please answer questions on THREE appliances only: Firstly on the appliance you have just purchased and then on any two appliances that you already own.

In die volgende afdeling, beantwoord asseblief vrae oor slegs DRIE toestelle: Eerstens oor die toestel wat u so pas gekoop het, daarna die vrae oor enige twee ander toestelle wat u reeds besit.

Dishwashers / Skottelgoedwassers	True / Waar	False / Vals	Uncertain / Onseker		
1. Detergents for dishwashers are more alkaline than washing machine detergents. / Wasmiddels vir skottelgoedwassers is meer alkalies as wasmasjien detergente.				V69	
2. If stainless steel cutlery is washed in a dishwasher regularly, it will discolour. / As vlekvrystaal eetgerei gereeld in 'n skottelgoedwasser gewas word, sal dit verkleur.				V70	
3. The various washing programmes of a dishwasher require different amounts of detergent. / Die verskillende wasprogramme van 'n skottelgoedwasser vereis verskillende hoeveelhede wasmiddel.				V71	
4. "Fuzzy logic" indicates that a dishwasher will automatically select an appropriate washing programme based on the type of dishes. / "Fuzzy logic" beteken dat die skottelgoedwasser outomaties 'n geskikte wasprogram vir die skottelgoed sal kies.				V72	
5. The use of salt in a dishwasher is required for sterilization. / Sout word in 'n skottelgoedwasser gebruik as steriliseerder				V73	
6. Longer washing programmes also use more water. / Langer wassiklusse verbruik ook meer water.				V74	
7. The capacity of a dishwasher is indicated in litres. / Die kapasiteit van 'n skottelgoedwasser word in liters aangedui.				V75	
8. Dishwashers with a metallic exterior finish are made of stainless steel. / Skottelgoedwassers met 'n metaal buite-afwerking, is van vlekvrystaal vervaardig.				V76	
9. The drying elements of modern dishwashers are concealed to prevent electric shocks. Die drogingselemente van moderne skottelgoedwassers is bedek om elektriese skokke te verhoed.				V77	
10. All dishwashers distribute water from two angles, namely from the bottom and the middle of the machine. / Alle skottelgoedwassers versprei water vanuit twee rigtings – van onder en vanuit die middel van die masjien.				V78	



Combination fridge - freezer Kombinasie yskas vrieskas		True / Waar	False/ Vals	Uncertain/ Onseker	
1	The interior temperature of a household refrigerator is 8°C. / <i>Die interne temperatuur in 'n huishoudelike yskas is 8 °C.</i>				V79
2	Frost-free fridges and freezers with dual compressors are more energy efficient. / <i>Vriesvrye yskaste en vrieskaste met dubbele kompressors is meer energie effektief.</i>				V80
3	The recommended interior temperature of a household freezer is -30°C./ <i>Die aanbevole interne temperatuur in 'n huishoudelike vrieskas is -30 °C.</i>				V81
4	Some manufacturers treat the interior of fridges and freezers to inhibit bacterial growth. / <i>Sommige vervaardigers behandel die binnewande van yskaste en vrieskaste om bakteriële groei te verhoed.</i>				V82
5	Dual compressors are advised for combination fridge/ freezers for better temperature control. / <i>Dubbele kompressors word vir kombinasie yskas/vrieskaste aanbeveel vir beter temperatuur kontrole.</i>				V83
6	The capacity of fridges is indicated in litres. / <i>Die kapasiteit van yskaste word in liters aangedui.</i>				V84
7	Cold is contained better in a chest freezer than in an upright freezer. / <i>Koue bly beter behoue in 'n kisvrieskas as in 'n regop vrieskas.</i>				V85
8	Temperature control in frost-free refrigerators is less effective than in ordinary models. <i>Temperatuurbeheer in ysvrye yskaste is minder doeltreffend as in gewone modelle.</i>				V86
9	Solid shelves, e.g. glass shelves and drawers in refrigerators prevent proper cold air circulation / <i>Soliede rakke, bv. glasrakke en laaie in yskaste, verhoed behoorlike sirkulasie van koue lug.</i>				V87
'10	The energy consumption of a large chest freezer is lower than that of a microwave oven. / <i>'n Groot kisvrieskas se energieverbruik is laer as die van n mikrogolfoond.</i>				V88

Washing Machine Wasmasjien		True / Waar	False/ Vals	Uncertain/ Onseker	
1	Front loading washing machines that use less water (less than 11 liters per kilogram of laundry) also use less electricity. / <i>Voorlaaier wasmasjiene wat minder water gebruik (minder as 11 liter per kg wasgoed), gebruik ook minder elektrisiteit.</i>				V89
2	Front loading washing machines use less water than top-loading machines. <i>Voorlaaier wasmasjiene gebruik minder water as bo-laaiers.</i>				V90
3	1000-1200 rpm is the minimum recommended rotation speed for washing machines. <i>1000-1200 rpm is die minimum aanbevole rotasiespoed vir wasmasjiene.</i>				V91
4	Low sudsing detergent can be used for both front loaders and top loaders. <i>Lae-skuim waspoeier kan in voorlaaiers sowel as in bo-laaiers gebruik word.</i>				V92
5	Top loaders are generally more environmental friendly in terms of water and energy consumption. / <i>Bo-laaiers is gewoonlik meer omgewings vriendelik in terme van water – en elektrisiteitsverbruik.</i>				V93
6	Front loading washing machines offer more wash programmes. <i>Voorlaaier wasmasjiene bied meer wasprogramme.</i>				V94
7	All top loaders have lint filters that need to be cleaned regularly. <i>Alle bo-laaiers het donsfilters wat gereeld skoongemaak moet word.</i>				V95
8	The capacity of a washing machine is indicated in kilograms. <i>Die kapasiteit van 'n wasmasjien word in kilogramme aangedui.</i>				V96
9	The wash cycles of top loaders are longer than those of front loaders. <i>Die wassiklusse van bo-laaiers is langer as die van voorlaaiers .</i>				V97
10	Most front loaders need only be connected to a cold-water faucet. <i>Meeste voorlaaiers hoef net aan 'n koue water kraan gekoppel te word.</i>				V98






Microwave oven Mikrogolfoond	True / Waar	False/ Vals	Uncertain/ Onseker	
1. At least 5 cm space is required around a microwave oven for proper ventilation. / <i>Minstens 5 cm spasie is nodig rondom 'n mikrogolfoond vir goeie ventilasie.</i>				V99
2. A microwave oven consumes less electricity than a stove and can easily be connected at a double adaptor. / <i>'n Mikrogolfoond verbruik minder elektrisiteit as 'n stoof en kan maklik by 'n dubbelprop gekonnekteer word.</i>				V100
3. When the door of a microwave oven is opened, the cooking process is interrupted. / <i>Wanneer die deur van 'n mikrogolfoond oopgemaak word, word die kookproses onderbreek.</i>				V101
4. A 700 watt oven can take twice as long to heat food than a 1 150 watt model. / <i>'n 700 watt oond kan twee keer langer neem om kos te verhit as 'n 1150 watt oond.</i>				V102
5. A turntable in a microwave oven ensures faster heating. / <i>n Draaitafel in 'n mikrogolfoond verseker vinniger opwarming.</i>				V103
6. A microwave oven with a built in griller will use more electricity. / <i>n Mikrogolfoond met 'n ingeboude rooster sal meer elektrisiteit gebruik.</i>				V104
7. It is not safe to touch the glass door of a microwave oven while in use because microwaves can pass through glass. / <i>Dit is onveilig om aan die glasdeur van 'n mikrogolfoond te raak terwyl dit in werking is omdat glas mikrogolwe deurlaat.</i>				V105
8. A microwave oven can be damaged when it is switched on while it is empty. / <i>'n Mikrogolfoond kan beskadig word as dit aangeskakel word as dit leeg is.</i>				V106
9. The interior walls of a microwave oven are light in colour to reflect the waves better. / <i>Die binnewande van mikrogolfoonde is lig van kleur om die golwe beter te weerkaats.</i>				V107
10. The power of the magnetron influences the cooking speed of the oven more than the size of the cooking chamber. / <i>Die sterkte van die magnetron beïnvloed die spoed waarmee die mikrogolfoond werk meer as die grootte van die oond.</i>				V108

Tumble dryer Tuimeldroër	True / Waar	False/ Vals	Uncertain/ Onseker	
1. Tumble dryers are more effective when filled to full capacity. / <i>Tuimeldroërs werk meer doeltreffend as dit vol gelaai is.</i>				V109
2. Moisture sensors in tumble dryers will prevent clothes from creasing. / <i>Vogsensors in tuimeldroërs verhoed dat klere kreukel.</i>				V110
3. A cool down cycle in dryers is important for safety reasons. / <i>'n Afkoelsiklus in droërs is belangrik om veiligheidsredes.</i>				V111
4. The accumulation of lint in the filter will increase the drying time. / <i>Opbou van dons in die filter sal drogingstyd verleng.</i>				V112
5. A dryer with a timer consumes more electricity than one with a moisture sensor. / <i>'n Droër met 'n tydskakelaar verbruik meer elektrisiteit as een met 'n vogsensor.</i>				V113
6. The air vent is situated at the back of the dryer for safety reasons. / <i>Die ventilasie opening is aan die agterkant van die droër om veiligheidsredes.</i>				V114
7. An air-vented dryer will dry washing faster than condenser dryers. / <i>Droërs wat ventileer se droogtyd is korter as kondensor tipes.</i>				V115
8. A condenser tumble-dryer should be installed near a window for proper venting. / <i>'n Kondensator droër moet naby 'n venster geïnstalleer word vir goeie ventilasie.</i>				V116
9. Tumble dryers have different heat settings to save electricity. / <i>Tuimeldroërs het verskillende hitte verstellings ter wille van elektrisiteitsbesparing.</i>				V117
10. A tumble dryer that can dry without tumbling is more versatile. / <i>'n Tuimeldroër wat kan droog sonder om te tuimel, is meer veelsydig..</i>				V118

SECTION D / AFDELING D

Please indicate your personal details:

Dui asseblief u persoonlike besonderhede aan:

<p>1. Gender / Geslag:</p>	<p>Male/ Manlik <input type="checkbox"/></p>	<p>V119</p>	
	<p>Female/ Vroulik <input type="checkbox"/></p>		
<p>2. Age / Ouderdom</p>	<p><input type="text"/> <input type="text"/> year/jaar</p>	<p>V120</p>	
<p>3. How many years have you been managing your own household? <i>Hoeveel jaar bestuur u al u eie huishouding?</i></p>	<p><input type="text"/> <input type="text"/> year/jaar</p>	<p>V121</p>	
<p>4. How difficult do you find it personally to choose a new electrical household appliance? Please circle the relevant number on the scale where 1 indicates "very difficult" and 5 is "quite easy". <i>Hoe moeilik vind u dit om nuwe elektriese huishoudelike toerusting te kies? Omkring die gepaste syfer op die skaal waar 1 = "besonder moeilik" en 5 = "heel maklik."</i></p> <p>    </p> <p>1 2 3 4 5</p>		<p>V122</p>	

Thank you kindly for your participation

Baie dankie vir u deelname



APPENDIX 3

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1908 - 2008



SALESPeople's SUGGESTIONS IN TERMS OF AUGMENTED CUSTOMER SERVICE

Dear sir/madam

This exercise is part of a research project that is done for a doctoral degree. You have been selected based on your experience as a salesperson in the appliance sales department in a major retail store. You are under no obligation to participate and may withdraw if you wish to do so. The content of your written proposal will remain confidential.

Please read the instructions and complete the following written task in your own time in as much detail as possible. Please do not discuss the content with colleagues. I need your honest, personal opinion.

Instructions:

Imagine that you have been appointed as the manager of a similar department in another branch of this store. You have been told that customers are not very happy with the customer service offered by the store.

Request:

☀ Describe and explain possible reasons for customers' dissatisfaction with the service in the store, and

☀ Describe how the manager should improve the customer service offering in order to assist customers in making informed responsible buying decisions.

☀ Describe your recommendations in as much detail as possible (Minimum 300 words).

Your cooperation is highly appreciated!

U is welkom om die opdrag in Afrikaans te doen as u dit verkies.



APPENDIX 4

SEMI-STRUCTURED INTERVIEW WITH SUPPLIERS

Appointments were made with representatives from industry, i.e. distributors of the appliances that are sold in major retail outlets.

The interview followed the following approach:

Individuals were briefly informed about the objectives for the research project.

The research method was explained briefly.

Without mention of any findings, the following prompts were used to obtain the view of representatives of industry regarding augmented customer service in appliance sales departments in retail stores.

1. How often does a representative of your company visit department stores that sell your merchandise? What is the main objective of these visits?
2. Which aspects of customer service in retail stores are important to the industry? Please prioritize and motivate.
3. What influence does the industry have with regard to the potential to enhance informed consumer decision-making in the stores considering the complexity of the decisions when household appliances are involved?
4. What is industry's (your) contribution in terms of the training of salespeople?
5. Are you aware of specific problems in retail that may be to the detriment of optimal customer service and that may inhibit informed consumer decision-making? What would you recommend to improve the situation?
6. What changes would you propose for the retail environment to enhance informed, responsible buying decisions, especially of inexperienced previously disadvantaged consumers?