

## Customer Expectations Management in Store Management

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### **Abstract**

*Customer expectations: the needs, wants, and preconceived ideas of a customer about a product or service. Customer expectation will be influenced by his or her perception of the product or service and can be created by previous experience, advertising, hearsay, awareness of competitors, and brand image. Expectation Management is an approach that allows the project management practitioner to assess the potential predictability of expectations throughout a project life cycle.*

*Quality was defined as the match between what customers expect and what they experience. In the service context customer expectations may be defined as the desires or wants of consumers, what they feel a service provider should offer rather than would offer. In an industrial marketing or business-to-business context, the concept of expectations might be modified to encompass the idea of "negotiated" expectations.*

*Customer retention is the effort carried out by a company to ensure that its customers do not switch over to the competition's products and services.*

*Loyalty can range from having a mild preference all the way to being a strong advocate for the company. It is well accepted in consumer marketing that an average customer who feels closer to a company (high loyalty) is significantly more profitable than one who feels less close (low loyalty). A loyal customer is one who prefers the company's products and services to those of its competition.*

**Keywords:** *expectations, customer's expectations, customer expectation management, customer service, customer loyalty.*

### **1. Theoretical notions**

The quality of listening to the customer's requirements has an impact on the quality of service. Firms intent on improving service need to listen continuously to three types of customers:

- external customers who have experienced the firms service,
- competitors' customers who the firm would like to make its own and
- internal customers (employees) who depend on internal service to provide their own services.

Without the voices of these groups guiding investment in service improvement, all companies can hope for are marginal gains.

Companies that measure customers' behavioral intentions (or

actual behaviors) and monitor their sensitivity to changes in service performance are gaining valuable information on both why and how to invest in service improvement. Assessing the bottom-line of service performance will motivate managerial and non-managerial employees to implement needed changes. It will help a company move from just talking about service to improving service. (*Sloan Management Review, 1997*)

#### **1.1. Types of requirements**

To satisfy customers, we must understand how meeting their requirements affect satisfactions. There are three types of customer requirements to consider.

**Revealed requirements** are typically what we get by just asking customers what they want. These requirements satisfy (or dissatisfy) in proportion to their presence (or absence) in the product or service. Fast delivery would be a good example. The faster (or slower) delivery, the more they like (or dislike) it.

**Expected requirements** are often so basic the customer may fail to mention them – until we fail to perform them. They are basic expectations without the product or service may cease to be of value; their absence is very dissatisfying. Further, meeting these requirements often goes unnoticed by most customers. For example, if coffee is served hot, customers barely notice it. If it's cold or too hot, dissatisfaction occurs. Expected requirements must be fulfilled.

**Exciting requirements** are difficult to discover. They are beyond the customer's expectations. Their absence doesn't dissatisfy; their presence excites. For example, if caviar and champagne were served on a flight from Detroit to Chicago, that would be exciting. If not, customers would hardly complain. These are the things that wow the customers and bring them back. Since customers are not apt to voice these requirements, it is the responsibility of the organisation to explore customer problems and opportunities to uncover such unspoken items. ( *Glenn, M., 1996*)

Expectations are your client's vision of a future state of action, usually unstated but which is critical to your success. While a tightly defined scope takes care of the client's "requirements", expectations are deeper and broader. The success of a project would be measured by the project manager in terms of deliverables versus scope. However, from the client's point of view, project success is simply the deliverables measured against his/her expectations. Project delivery effectiveness is more a function of the client's perceived satisfaction rather than cold hard facts of deliverables versus scope. And since the

client's view is ultimately what brings in business, managing customer expectations drives success. Whether the expectations are rational or irrational, valid or invalid, is irrelevant. Everything else is secondary.

## 1.2. Influencing techniques for expectations

*The best techniques for influencing the expectations of customers:*

1. Establish truth: people are influenced by those they trust, and trust needs to be earned.
2. Educate: the more your clients know, the better they understand the complexity of your work and the impact their expectations have.
3. Explain why: "It worked on my last three projects" (demonstrating experience), "It would cost less" (demonstrating partnership).
4. Do it in private: people will not change their minds or admit their lack of knowledge in public.
5. Show them, then sell. Let them experience the benefits of what you're suggesting before attempting to sell the idea.
6. Balance the give and take: see if you can identify one or two of your client's expectations that you haven't acted on and which are relatively easy to satisfy. Ensure they're satisfied. Then bring up some expectations you would like to change.
7. Expectations get firmed up the longer they are left alone. Pre-empt them as early as possible. ( *David, L. H., 2005*)

QFinance defines **customer expectations**: the needs, wants, and preconceived ideas of a customer about a product or service. Customer expectation will be influenced by his or her perception of the product or service and can be created by previous experience, advertising, hearsay, awareness of competitors, and brand image. The level of customer service is also a factor, and a customer might expect to encounter efficiency,

helpfulness, reliability, confidence in the staff, and a personal interest in his or her patronage. If customer expectations are met, then customer satisfaction results. ( *www.qfinance.com*)

**Expectations are deeper and broader than requirements;** they are your client's vision (or perception) of a future state or action, usually unstated but is critical to your success. They (expectations) are sliced in two ways:

1. *They are a primary measure of your success.* In your client's mind, satisfaction is how close you're come to their expectations, not necessarily how close you were to the wording in the contract, or scope of work, or better yet the performance criteria. In some instances, it may not even be the actual results of the project but the process with which you arrive there.

2. *Expectations drive all of your client's actions and decisions.* It's not their everyday duties of their assigned role or your very rational explanations that drive them, but their expectations. ( *David L. Hamil, 2005*)

To achieve sustainable growth and profitability requires new thinking and new actions. Business must empower employees at all levels of the organisation to act in direct alignment with strategy, where that strategy enables the meeting of customer expectations – without exceptions. There are few companies that have done this, but the cost has been high and the challenge daunting. Now there is clear guidance on how to deliver success without exception in any organisation of any size and in any market. Some will choose to adopt new techniques and achieve new levels of success in their business; others won't.

Business success will be won by those who take innovative action to create customer success as a natural by-product of the activities of everyone in the organisation. Strategy can no longer be implied in functional directives of the business; it must explicit in the actions the people in the organisation take to

meet customer expectations on a daily basis. ( *Schurter, T., Towers, S., 2006*)

### **1.3. Customer Expectation Management (CEM)**

Customer Expectation Management can help you learn:

- how to unlock the hidden power in your business that can transform your company into a hyper-competitive "machine";
- how to produce new revenue streams into your business without creating any new products or services;
- how to maximize the real revenue potential of your customers as a by-product that just "happens";
- how to drive actionable strategy down into every corner of your organisation – without training, education or any significant effort;
- how to make your business successful – even in the face of global competition "boom" looming on the horizon. ( *Schurter, T., Towers, S., 2006*)

It is pretty much accepted wisdom these days that companies should be customer focused. It is however unfortunate that most companies go the wrong way about this by asking their customers what they want. Customers describe their requirements in terms of products and services and then when the company builds and delivers they are not desired or bought. Henry Ford put it very well "if we ask customers what they want they'll ask for faster horses".

And yet at the end of the first decade of the 21st century a surprising and somewhat alarming majority of companies do precisely that. Why does this fail?

Fundamentally when the customer is asked the question "what do you want from us" the answer comes in terms of product and service. Customers when faced with this question extrapolate from their own experiences and what they know of your products and service. Hence it shouldn't be any

great surprise when the requirements are bounded by current 'inside out' thinking. Our organizations should then construct complex systems and processes to meet the requirements, develop 'customer focused' strategies and seek to demonstrate with measurement systems, scorecards and the like that what they are doing is what the customer asked for. Meanwhile competitors are beating us at our own game.

So how can we resolve this apparent conundrum? The answer is delightfully simple, as are most things involving **Successful Customer Outcomes (SCO's)**. We should be asking the more relevant question "what is the customers desired outcome?". This concept takes us to a new place of understanding and opens the potential for innovation and the opportunity to challenge our existing business thinking.

Making customers life's simpler, easier and more successful is a cornerstone of SCO's. Once we have understood the SCO we should then align everything in our organization to achieve that endeavor – without exception. We can design measurement systems which understand the SCO and the various steps to achieving it. Measuring becomes a simpler task. We should create systems which contribute directly to achieving the SCO. In fact no development should be taking place if there isn't a demonstrable direct linkage to getting the SCO. In fact everything the company does should be progressively aligned to achieving SCO's, and not as we often see in delivering faster horses.

How do we create this new order? Again the answer is a simple one and not bounded by the inside-out complexity which befuddles so many companies. Your improvement approaches should also be aligned to creating, understanding, and implementing approaches that, yes, contribute to the SCO. (<http://www.towersassociates.com>)

That's where **Customer Expectation Management (CEM)** comes in. As an advanced form of business process and performance management it goes the extra mile and applies our focus to SCO's. As a consequence these 'outside-in' companies are able to progressively and continually innovate and create clear water between themselves and rivals and in many instances becoming market leaders.

**Expectation Management** is an approach that allows the project management practitioner to assess the potential predictability of expectations throughout a project life cycle. Trending the possible changes, it necessarily follows that it must be possible to be more effective in shaping and influencing stakeholders' expectations to a point where any variances between project performance (outcome) and stakeholders' expectations are within acceptable limits.

#### 1.4. The role of Customer Service

Real commitment to quality involves organisational change, and marketing must change too. A common error, especially in mature organisations, is to make only token changes and rely on internal and external communications to achieve effects. Alternatively, or in conjunction with communications, management tries a succession of technique orientated changes to achieve quality effects. None of this is wrong. It is just not sufficient. Improvement in performance involves changing the way work is organized and the way managers "manage" the activities of the business.

**Quality** was defined as the match between what customers expect and what they experience. In the service context customer expectations may be defined as the desires or wants of consumers, what they feel a service provider should offer rather than would offer. In an industrial marketing or business-to-business context, the

concept of expectations might be modified to encompass the idea of "negotiated" expectations. In other words, quality is measured in terms of the extent to which performance as perceived by the customer (the "experience") meets or exceeds implicit or agreed levels of service (the "expectations").

Where expectations and perceived performance do not coincide, there are two possible responses by the organization, not necessarily mutually exclusive. The first is to explore why perceived performance is low. Is it because actual performance is low generally? Or is it because perceptions have been influenced by negative experiences in one aspect of performance. The second possible response is to check that the customer expectations are being properly managed. In other words, are customers gaining

expectations which are out of line with organization's ability to perform? (Christopher, M., 1991)

A well-accepted wisdom in the industry is that it costs five to seven times as much to acquire a new customer than to retain an existing one. The reason is that the organization already has the loyalty of existing customers, and all that is required for retention is to meet the customer's expectations. For customer acquisition however, the customer must be wined away from another organization, which is a much harder task. Given this, it is crucial that the selection of customers to target is done with care, and the right message be sent to each one. Given these needs, it becomes important for an organization to understand its customers well. Thus, one can consider customer relationship management to consist of two parts as follows:

### **CRM = customer understanding + relationship management**

This equation is not new, since in the classical "neighborhood store" - model of doing business, the store had a highly localized audience, and the store owner knew practically everyone in the neighborhood, making it easy for him to meet the needs of his customers. It is the big corporations, serving a mass customer base, that have difficulty in understanding the needs of individual customers. (Srivastava, J., 2002)

#### **1.5. Customer Retention**

**Customer retention** is the effort carried out by a company to ensure that its customers do not switch over to the competition's products and services. A commonly accepted wisdom, acquired through substantial experience, is that it is 5 to 7 times more expensive to acquire a new customer than to retain an existing one. Given this, it is of paramount importance to retain customers, especially highly profitable ones. A good loyal customer base that

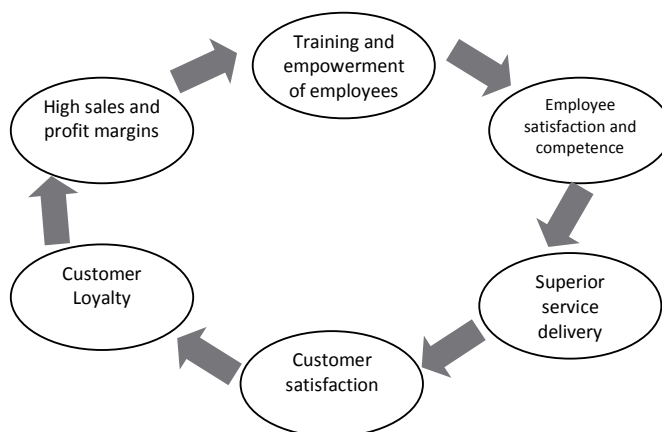
persists for a long time is one of the best advertisements for a business, creating an image of high quality. This helps in attracting other customers who value long term relationships and high quality products and services.

A successful customer retention strategy for a company is to identify opportunities to meet the needs of the customer in a timely manner.

#### **Customer Loyalty**

From a company's perspective, a **loyal customer** is one who prefers the company's products and services to those of its competition. Loyalty can range from having a mild preference all the way to being a strong advocate for the company. It is well accepted in consumer marketing that an average customer who feels closer to a company (high loyalty) is significantly more profitable than one who feels less close (low loyalty). Thus, ideally a company would like all its customers to become loyal, and then to quickly advance up the loyalty chain. (Srivastava, J., 2002)

Figure 1: Virtuous Circle of Customer Loyalty



(Source: [http://en.wikipedia.org/wiki/File:Virtuous\\_circle\\_in\\_management.svg](http://en.wikipedia.org/wiki/File:Virtuous_circle_in_management.svg))

All people have expectations that drive the way they interact, whether they are at a family gathering, attending a meeting, working on a project, managing a business, or even leading a country. Understanding these expectations and responding to them is an art for managers. Expectation Management is the corresponding discipline, and the "how to" strategies described herein are techniques within that discipline. A careful mix of Expectation Management strategies that fit the environment in which you are working should help to ensure that the project sponsor(s) and user(s) know what to expect from the system prior to delivery. If there are any surprises, then let's proactively make sure they are pleasant ones.

## 2. Customer expectations to dairy product category.

### Case study: INTEREX supermarket

The lack of concrete data on customer expectations on one of the most important categories of products - dairy category, and the degree to which these expectations are met in Târgoviște's commercial offer network, make necessary to conduct a marketing

research in one commercial area in Târgoviște, having as main activity retail, predominantly food. The superstore chosen for this study is Interex Supermarket.

CDER Interex SA is the Romanian subsidiary of the French "Groupement des Mousquetaires", the fifth french retailer in the world in the distribution and marketing of food and nonfood. The group, known especially through Intermarché company is represented in eight countries, has ten brands and brings together 4000 specialist stores. Currently, the group holds in Romania 11 stores: Ploiești, Giurgiu, Târgu-Jiu, Satu Mare, Râmnicu-Vâlcea, Târgoviște, Sibiu, Bârlad, Târgu-Mureș, Turnu-Severin and Alexandria. The average selling area of a Romanian store is of 2,500 square meters, but there are stores of 1,200 square meters.

### 2.1. Methodological aspects of designing and conducting research Research Objectives

- Knowledge of the extent to which dairy assortment of Interex supermarket meets customers expectations;
- Assessing the future behavior of the superstore's customers;

- Defining problems faced by Interex supermarket.

**Research Hypotheses**

Assumptions that went this research are:

- Kaufland supermarket dominates retailing in Târgoviște for the five attributes: access, experience, price, product and service; (Barna, M., Popa, V., 2011)
- The obstacles that Interex supermarket faces in meeting the needs and expectations are employees who are not trained and motivated to serve customers effectively, and inefficient channels of customer interaction and the low number of these channels;
- Interex supermarket's customers expect a correct presentation of products, highlighting the advantages, as well the less good parts, and create a loyalty program.

**Structuring research**

*Sample size.* The sample consists of 110 individuals among Interex store customers.

*The method of sampling.* For this research was used random sampling. The quantitative research was conducted through surveys and face to face

interview method, based on a questionnaire.

*The questionnaire* contains 16 questions, of which 12 related to consumer preferences and 4 personal questions. Were used: 14 closed questions and two open questions.

*Types of scales used:* semantic differential and Likert method.

Processing questionnaire was based on data created in Excel. Pre-tests were made to validate the questionnaire. Thus, were dropped open questions in favor of closed questions and were removed irrelevant ones.

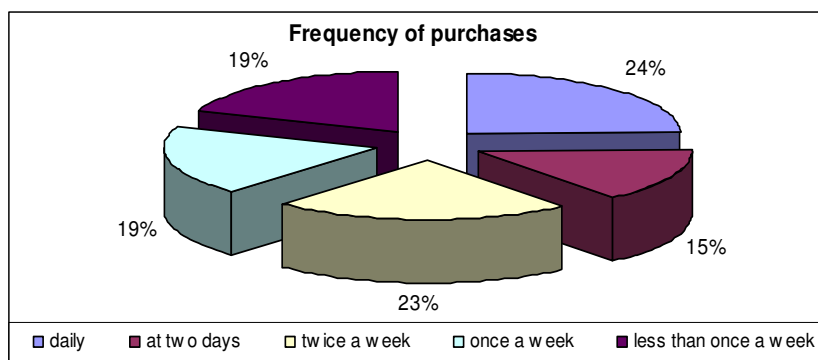
*Data collection.* Time frame of the questionnaire: 1 to 5 May 2012. The schedule of polls: between 10 a.m. and 18 p.m.

**2.2. The results of field research**

To confirm or invalidate the assumptions that were made, was made interpreting the results of marketing research undertaken, for each question, based on the summary tables.

**Question 1:** What is the frequency of purchases you make at Interex supermarket?

Figure 2: Frequency of purchases



This question provides information on the frequency of purchase. After processing the data, it appears that about 24% of respondents are effective customers, because they said that doing

daily shopping at Interex supermarket. However, most respondents are occasional customers, as go out shopping once a week (19.1%) or even

less frequently than once a week (19.1%).

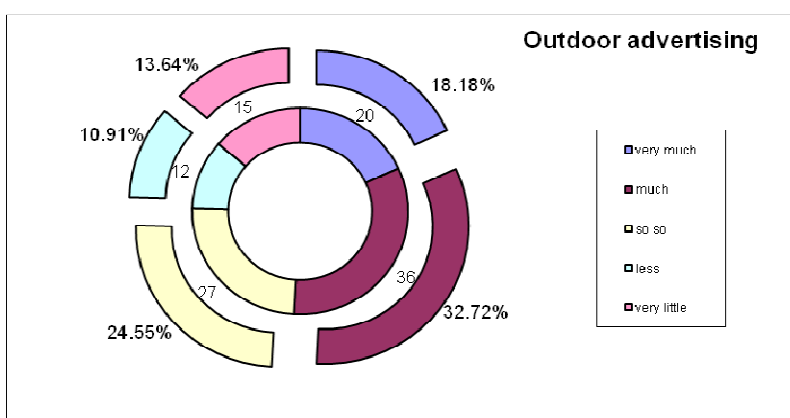
**Question 2:** What is the average monthly assign for purchasing dairy products?

Following achievement of the average amount given in response, it appears that a customer spends a month, about 49.30 RON for the purchase of dairy products. Responses were very different, respondents spent between 0

RON minimum and 150 RON maximum on dairy products; those who do not buy dairy products are part of the unemployed without income category.

**Question 3:** When choosing a supermarket to buy dairy products, how much advertising influences you (outdoor advertising, magazines, radio and TV)?

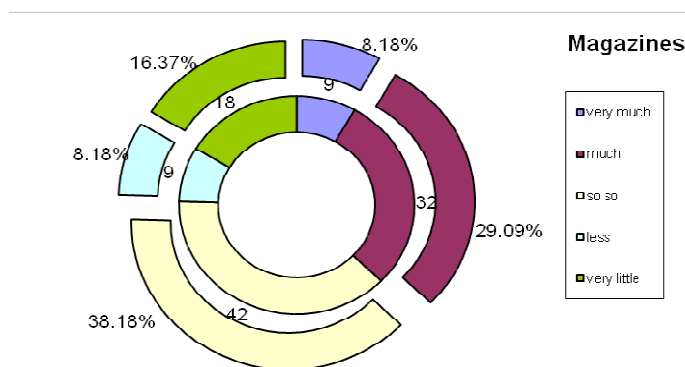
Figure 3: Outdoor advertising



Average calculated for this question shows that, in general, customers are not influenced by outdoor ads, even though almost one third of respondents said that this type of advertising greatly affect when choosing a supermarket to purchase milk products.

Since the score is 0.3 and that 36 of those surveyed said they are greatly affected by outdoor advertising, it can be concluded that this type of advertising has an influence from so and so and more.

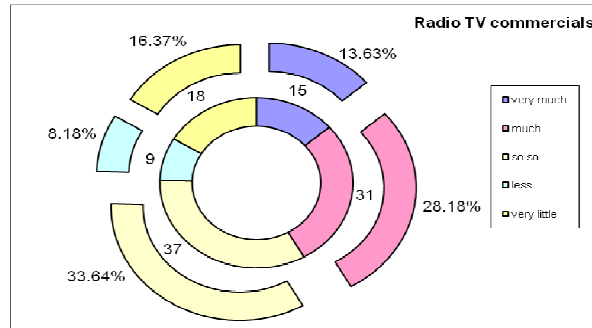
Figure 4: Magazines



Regarding the influence of advertising in magazines, a score of 0.05 was obtained, which means that nor the

magazines have a very strong influence on purchasing decisions.

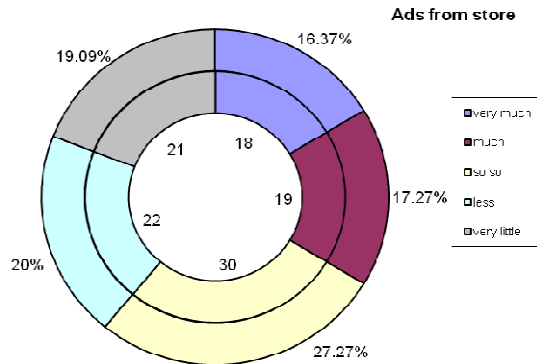
Figure 5: Radio TV commercials



Note that their influence is even less than the influence of outdoor ads, which have greater power to convince the customers. It is noted that 38% of respondents said that when choosing a store they are influenced so so by the ads from magazines. Nor ads on radio or television does not exercise a great influence on customers when choosing a

store for making purchases of dairy products. Score obtained by them is 0.15, so far as radio and TV ads can influence a client is so and so. Influence of this type of advertising is more powerful than advertising in magazines, but worse than the influence of outdoor advertising.

Figure 6: Ads from store



The lowest score was obtained by advertising the store, compared to other types of ads analyzed. Nor they do not have a strong influence on customers, but so and so: 27% of respondents said that, while 20% say they are less influenced by advertisements present in the store.

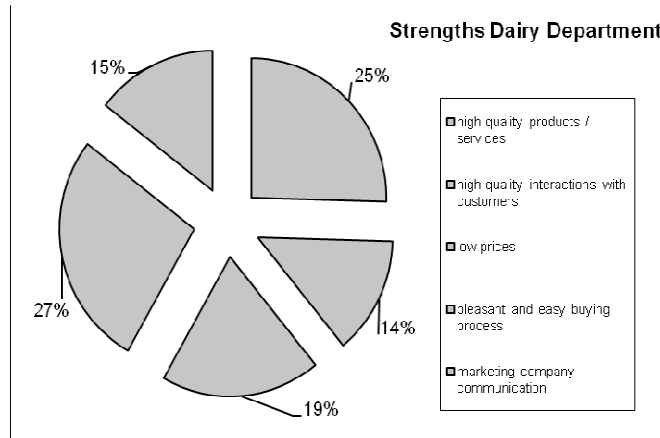
Hierarchy scores obtained by the four types of ads studied is the following:

1. outdoor advertising: 0.3
2. radio-TV commercials: 0.15
3. advertisements in magazines: 0.05
4. advertisements in the store: - 0.08.

**Question 4:** Which do you think are the strengths of dairy district of

Interex store, which can grow and maintain loyalty to this store?

Figure 7: Strengths of the Dairy Department

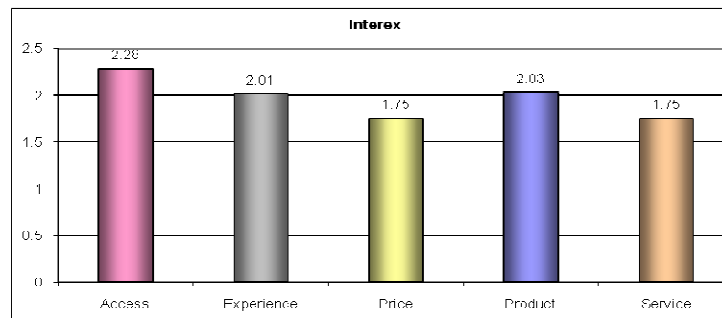


Most customers said the main advantage dairy department of Interex supermarket is pleasant and easy buying process. Those who claim it represents 27% of all respondents. The next feature that was considered as asset of the district is the superior products and services offered by the store: 25% of respondents chose this option. The fewest responses obtained feature "high-quality interactions with customers", where it can be concluded that this isn't one of the store strengths and should be

improved to have the power to increase and maintain customer loyalty to the store. The same is true for the attribute "marketing company communication".

**Question 5:** For the Dairy department, at what level do you think is Interex supermarket, looking at the following attributes? For each attribute you can choose from the following levels: Domination (3), differentiation (2) or Acceptance (1), where Domination is the highest.

Figure 8: Interex supermarket attributes results



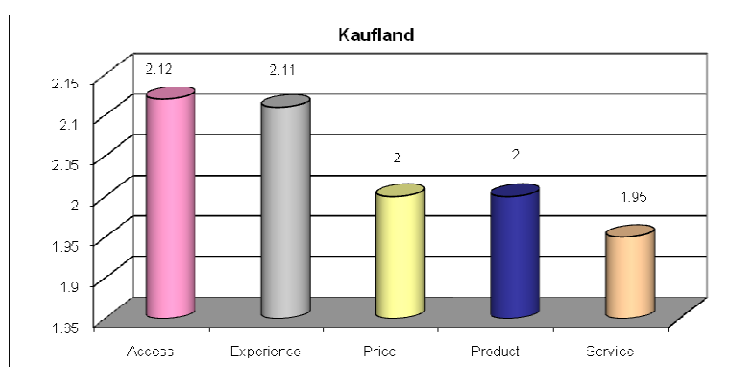
The best score was obtained by the attribute access, followed by product attribute and experience, between which there is very little difference. Price and

service attributes are those that have obtained the lowest scores: 1.75 each. Score obtained by the attribute access places the store between the

Differentiation and the Domination, because it provides a convenient customer interaction. The store is located in an area easily accessible, the schedule is convenient, organization and internal layout resulting in a pleasant and easy buying process, as observed in the previous question. To attribute experience, the store is the second of relationship by offering products that are of interest to customers. To attribute Price, shop is between first level and the second level, between Acceptance and Differentiation. The second is not reached, because the store does not

always provide accurate and stable prices that customers want. For product attribute, the store has reached the second level, the Differentiation, offering products that customers know they can trust and services they can rely when in need. For the attribute Services, Interex supermarket is between first level and the second level, as it provides basic services, but fails to provide every time the right solutions when the client encounters an unknown situation and the employees cannot correctly inform them because they are not all trained.

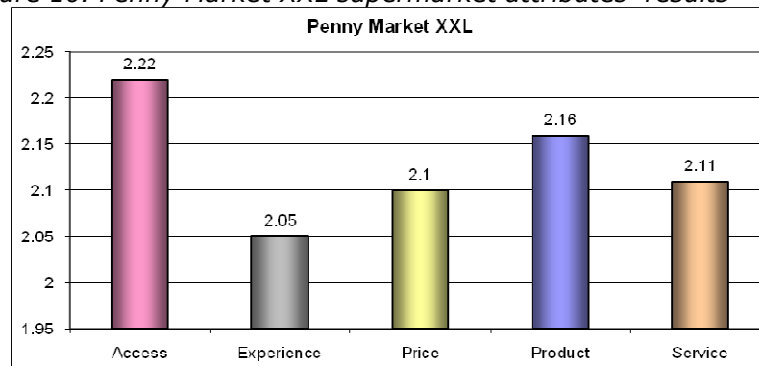
Figure 9: Kaufland supermarket attributes results



Kaufland supermarket reached the second level at all five attributes. The store is located in an accessible area, with multiple access paths, offers to customers an enjoyable experience, respecting and taking into account their needs, prices are constant, the store

does not necessarily seek the lowest price, the products offered by Kaufland are essential for them, and customers know they can rely on this store when in difficulty; services are desired by customers and staff is trained to give the answers.

Figure 10. Penny Market XXL supermarket attributes results

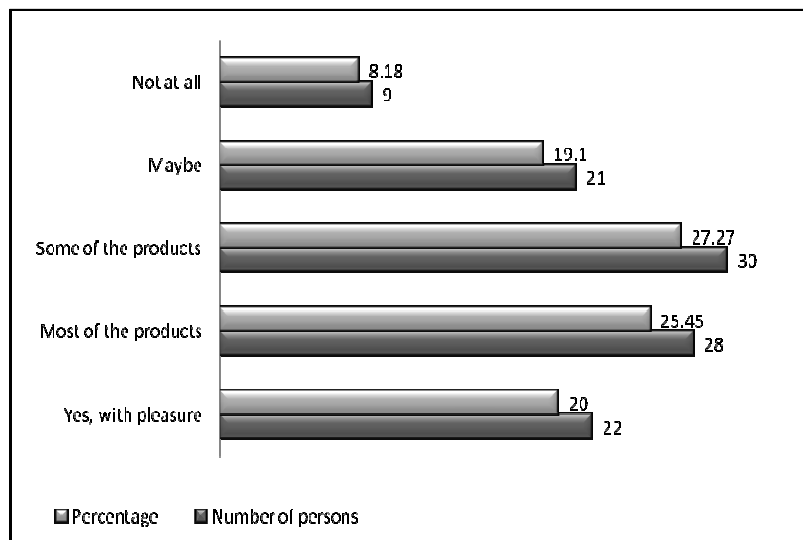


This superstore exceeds the second level for attribute access, but does not reach the third level. Score is very close to that obtained by Interex supermarket for the same attribute, the two stores have the same level of accessibility. The same situation is noticed for experience attribute, the difference between XXL and Interex being very small. For attribute Price,

Product and Service, the store reached the second level, even if the scores they obtained were higher than its competitors.

**Question 6:** To what extent would you recommend the dairy products from Interex supermarket to friends / relatives / other people?

Figure 11. Dairy products recommendation

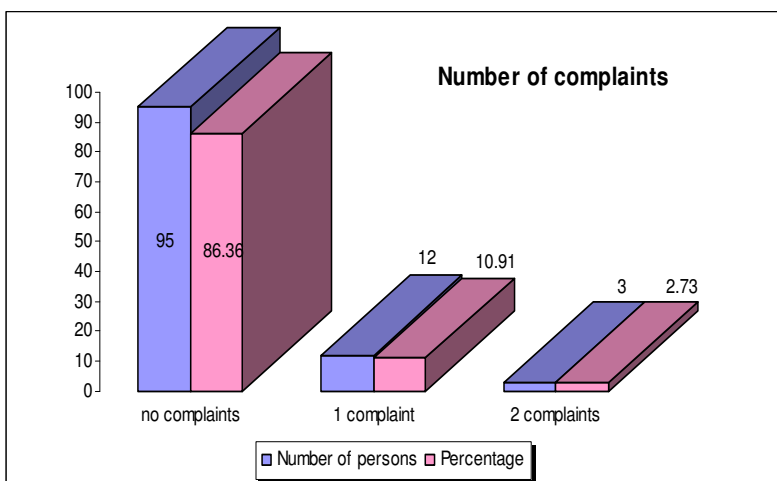


The average score obtained for this question shows that those who buy from the store Interex would recommend dairy products to relatives and acquaintances, but not all and only a part. Thus, 27% of respondents would recommend some of the dairy category, 25% would recommend most products and 20% would gladly recommend dairy product category. This shows that dairy products that they sell are known by the store customers' and they trust them.

Those who would gladly recommend dairy products presented appreciate quality and product diversity because they are the main features which can convince a customer to recommend a product.

**Question 7:** In the last six months how many complaints have you made to the dairy department of the store?

Figure 12: Number of complaints

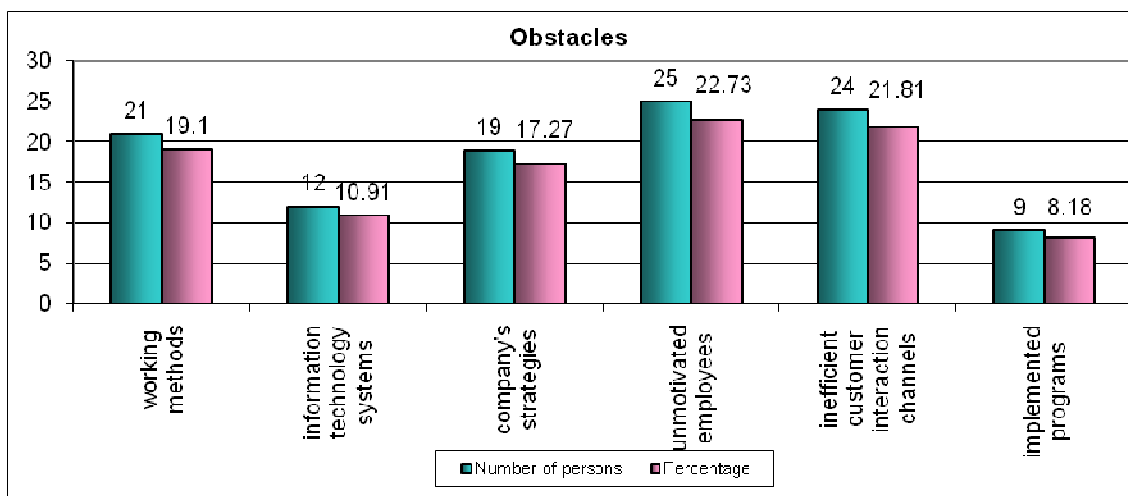


In this open question, respondents answered with 0, 1 or 2 complaints. Most, totaling 95 of the respondents answered that the last six months made no complaint to the dairy department of Interex supermarket, which shows that in general, customers had no reason for dissatisfaction with

this department. 12 people said they have only one complaint and three people answered each two complaints.

**Question 8:** What do you think are the obstacles faced by Interex supermarket in meeting properly the needs and expectations?

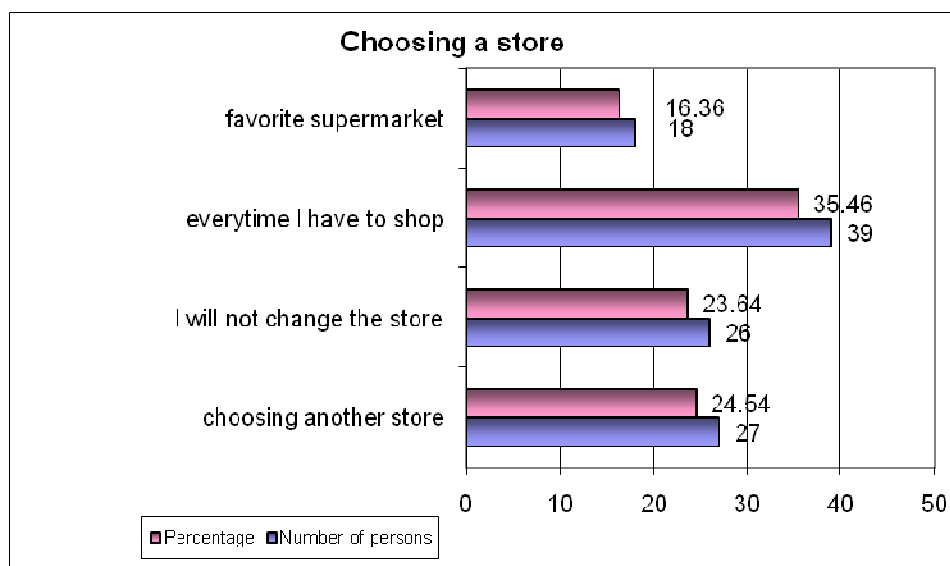
Figure 13: Obstacles faced by Interex supermarket



**Question 11:** Considering the relationship so far with Interex

supermarket, what decision would make when you want to buy dairy products?

Figure 14: Choosing a store in relation with INTEREX



According to the answers given by respondents, the main obstacle that this store faces in order to meet the needs and expectations is the employees who are not effectively trained and motivated to provide efficient customer service: 22.7% of respondents said so. The next obstacle is the inefficiency of customer interaction channels and the low number of these channels: 21.8% of respondents chose this option. And the working methods represents another obstacle, because it is not designed to meet customer needs. These responses demonstrates that many of the decisions taken by the store were taken following only profit rather than customer needs and expectations, their "happiness".

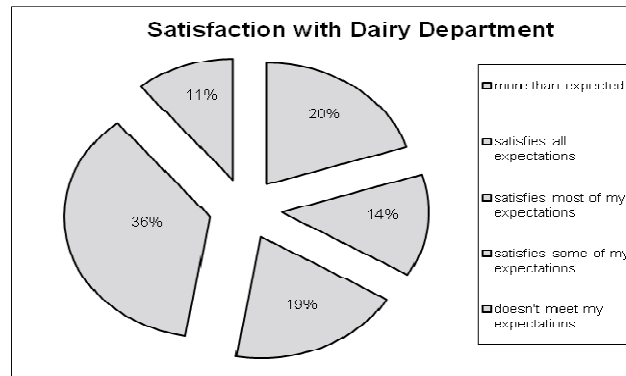
Consumer "happiness" is not the only indicator that a company can use in his analysis, but is one of the most importance as a unhappy and discontent customer will not do much shopping - so in the best case. The company must be aware that many customers will continue to remain loyal

as long as the services and products will not fall below that which is already used. In the worst case, they change shop - 24.5% of respondents said that in the future they will change dairy store, and stores from where they will buy are, in order, as follows: XXL, Kaufland, Lidl and the Korani.

There are also customers who say that Interex supermarket is their favorite store - about 16.4 of the respondents answered this way - and customers who will choose it every time they go shopping. They are customers that the store must do everything it can to keep them because they are satisfied with what the store offers and have the potential to bring other clients.

**Question 9:** Comparing the existing assortment of dairy products as you would find in a dairy department, to what extent are you satisfied with the dairy category at Interex supermarket?

Figure 15: Satisfaction with Dairy Department

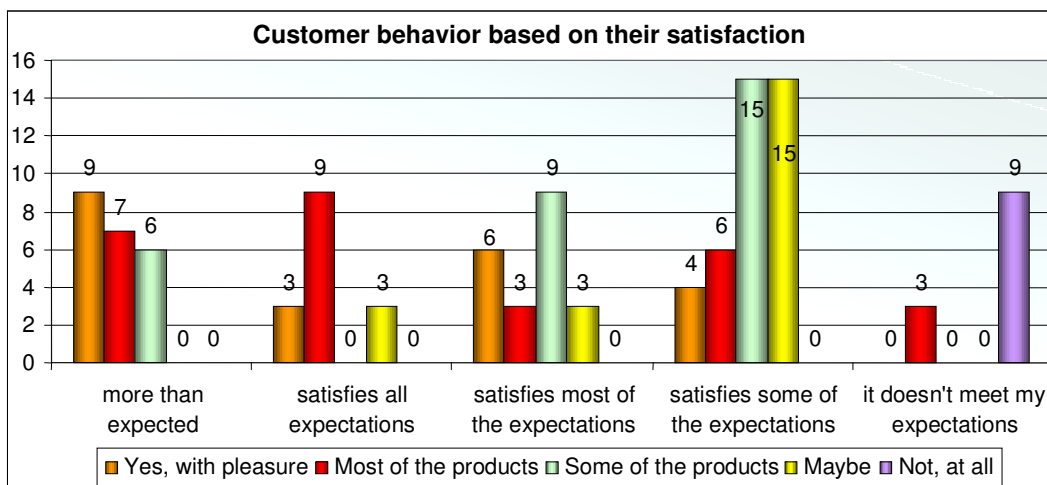


$$\text{Average} = \frac{(22 \times 5 + 15 \times 4 + 21 \times 3 + 40 \times 2 + 12 \times 1)}{110} = 2.95$$

For this question, more than one third of respondents replied that the store's assortment of dairy products only meet some of the expectations they have from a dairy department. 11% of respondents said that their expectations are met by the category of dairy products; this two answers summarize almost half percent of respondents, representing people to whom store and dairy department performance is indifferent, or even displease them, causing their dissatisfaction.

However, 20% of customers surveyed said the store's assortment of dairy products is above expectations, compared to what they would like to find in such a department. This will inspire them and lead to their fidelity to the store. 19% of respondents said that the department meets most of their expectations, and almost 14% of them said that their expectations are met. Last category is satisfied with store performances and offer; however, to retain them, the management should make further efforts in the development of customer relationships.

Figure 16: customer behavior based on their satisfaction

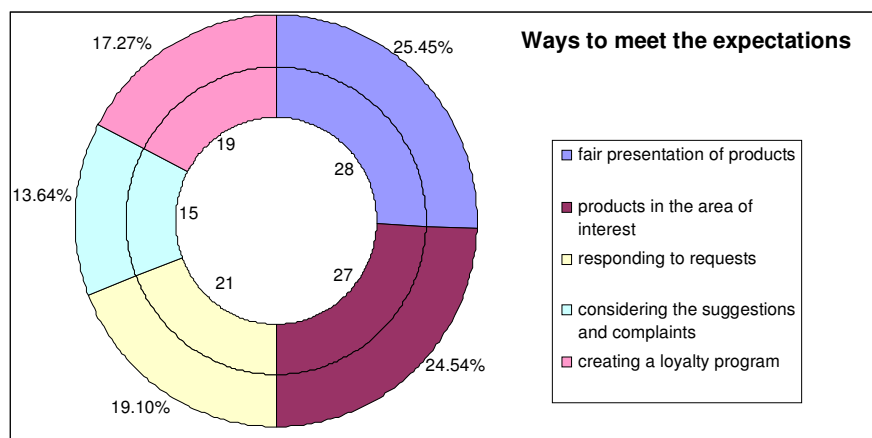


The figure above shows the extent to which a satisfied customer or not satisfied with the assortment of dairy products at Interex supermarket will recommend these products to people they know. Those who are not satisfied with the dairy products offered by the store will not recommend at all - 9 people say this, although their expectations are not met, 3 of respondents would recommend most of the dairy products to known persons. Of those who said they are satisfied with some of the expectations, 15 people maybe would recommend the dairy

category, as many would recommend some products, 6 people would recommend most of the products, and 4 people would gladly recommend. Those who claim that their expectations are met or the assortment of dairy products is higher than expected would recommend most products, some with pleasure.

**Question 10:** With which of the following activities do you think Interex store can meet your expectations?

Figure 17: Ways to meet the expectations

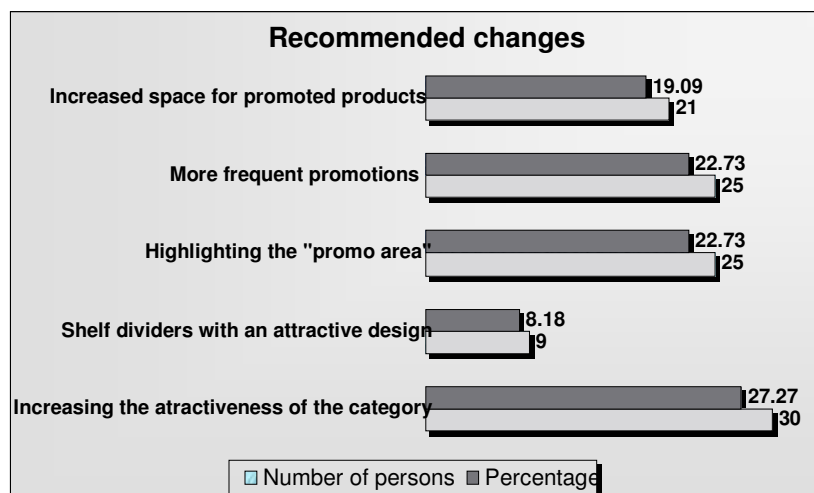


Most of the surveyed customers would like existing products in the store to be properly presented, highlighting the advantages, but also the less good parts - 25% of respondents want this as a way of greeting their expectations. 24% of respondents want the store to offer products that lie in their interest, that they could use with ease. 19% of respondents would like Interex supermarket to meet their expectations by responding to all their requests and problems. 17% of surveyed participants consider it necessary to create a loyalty

program, as currently there is no ongoing program. About 14% of respondents believe that taking into account all relevant suggestions and complaints received will be a way store can come with success in meeting customer expectations.

**Question 12:** What changes would you recommend to Interex store management to make the in the dairy department?

Figure 18: Recommended changes



At the Dairy department, the change that customers find most important is the more attractive products, making them more visible and easier to find. The following two changes that customers want to be made by the store, are highlighting "promo area" with special decorations, and more frequent promotions to be offered. Increasing allocated space to products in promotion is a change which attaches importance to customers, because they want greater availability of discounted products, hoping that they will not be faced with situations where such products are not on the shelves. The lowest importance was given to shelf separators with attractive design, because customers do not consider it absolutely necessary.

### 3. Conclusions

The first research hypothesis, that Kaufland supermarket dominates retailing in Târgoviște at the five attributes: access, experience, price, product and service is infirmed because for all attributes, Penny Market XXL obtained, on average, best scores, being surpassed in attribute access by Interex supermarket and by Kaufland for experience attribute.

The second hypothesis is confirmed because the study showed that the main obstacles faced by Interex supermarket in meeting the needs and expectations best are the employees who are not trained and motivated to serve customers efficiently, as well the inefficient channels of interaction with customers and the low number of these channels.

The third hypothesis is confirmed as well, because when they enter the store, customers expect from Interex supermarket product fair presentation, highlighting the advantages, but also the less good parts, these types of requirements being the ones which have to be fulfilled. Also in this category enters the offer of products in the area of interest to the customer. The store should be aware that meeting these desires affects customer satisfaction, the more this is done in greater, the level of satisfaction and therefore loyalty, will be higher.

Although most customers are satisfied with the offer in the dairy products department and would recommend these products, considered necessary to increase the attractiveness of the product, because they are more visible and easier to find them.

The degree of meeting customer expectations is a measure of company of success, the success will be achieved only if the store will be able to establish a close relationship with its customers. To establish this relationship with the client, Interex supermarket must identify appropriate methods and tools to assess customer satisfaction and loyalty of the most important clients, and improving internal and external relationship and partnership building relationships with loyal customers - this can be done by creating a loyalty program continuously and bring real benefits to both partners.

Also, the store can turn to implementing an application process, evaluation and monitoring feedback from customers on their satisfaction to the Dairy department and beyond. For supermarkets, this process helps collect and manage a database, which can ensure the establishment of actions to improve customer relationships and increasing their satisfaction and loyalty.

Because a customer wants to be treated as a human being, he wants respect and understanding from the staff of a shop. To develop ties with customers Interex supermarket should provide these things to ensure, where possible, that future surprises from customers will be pleasant. These will be translated into increased sales value and quantity, the high loyalty and customer satisfaction, increase customer and profit margins much higher than those of today.

Customer satisfaction and how to meet the expectations should be the medium and long term activities of the store management; this should not be interrupted and there all employees must be involved and trained to obtain quality results.

Managing customer expectations is a pre-requisite to creating a satisfied customer, a quintessential goal of marketing. The predominant approach to achieving this goal has been to endeavor to meet customer expectations. This

approach is lopsided and needs balancing by attempts to shape rather than merely fulfill customer expectations. Marketers have under-utilized appropriate shaping strategies. Of course, expectation shaping takes place every day via an abundant supply of marketing communications, but if anything, this shaping is in the wrong direction, creating unrealistic expectations by hype and overpromise - thus making the expectation satisfaction more than less elusive.

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