Measuring Retail Service Quality in Sport Stores by Using RSQS Model

A case study of Stadium in Helsinki

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Abstract

During the past few decades service quality has become a major area of attention to practitioners, managers and researchers. It has strong impact on business performance, lower costs, customer satisfaction, customer loyalty and profitability. This study aimed at analysis of retail service quality dimensions at clothing stores. The purpose of this thesis was to find out how customers perceive the overall retail service quality in a sport store. We chose Stadium in Helsinki, Finland as our case company.

A survey of 300 shoppers in various Stadium sport stores in Helsinki has evaluated retail service quality according to Retail Service Quality Scale (RSQS) which composes of 5 dimensions namely physical aspects, reliability, personal interaction, problem-solving and policy.

The analysis part includes descriptive and statistics analysis. The descriptive analysis was mainly presenting the statistical results in order to summarize data for the general conclusions. The statistical analysis presented the differences in perception. The gap analysis model examined the evidence about how consumers perceive service quality in retail stores and try to identify which dimensions and more specifically sub-dimensions of RSQS they are satisfied or not-satisfied with.

The finding result is that consumers are not satisfied with any dimension of service quality. Consumer’s perception of service quality is poor in all dimensions, which means that their perceptions are lower than expected level and what makes their experience in retail stores less enjoyable. The retail stores need to make improvements in all dimensions in order to close gaps that could lead to increasing customer satisfaction.

Keywords: Service Quality, Retail Service Quality, RSQS, Sport store, Finland.
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Chapter 1: Introduction

This chapter focuses on providing the reader with information regarding the importance of the chosen subject and its different aspects that are to be highlighted later on as the thesis proceeds. The area that will be investigated is related to retail clothing outlet, the service customers receive and their perceptions of general overview on how the service quality of the store is. The authors will present the background to the problem to stress why this specific subject has been chosen for their research study, and furthermore, the research problem and the purpose with this study will also be presented in this chapter. Finally, a disposition of the thesis can be found in order to give the reader a clear organization of the thesis.

1.1 Background

Service quality is “a global judgment, or attitude, relating to the superiority of the service” (Parasuraman, Zeithaml and Berry, 1988, p. 16). Service quality has received a great deal of attention to practitioners, managers and researchers over the past few decades, due to its strong impact on business performance, lower costs, customer satisfaction, customer loyalty and profitability. All mentioned subjects were studied by Cronin and Taylor in 1992; Chang and Chen in 1998; Lasser et al. in 1995. There has been a continued research on the definition, modeling, measurement, data collection procedure, data analysis etc., issues of service quality, leading to development of sound base for the researchers (Seth and Deshmukh, 2005, p. 913).

All these researches have brought service quality topic on another level by exploring more possibilities to measure, analyze and conclude about service quality as a significant issue to study. The important issues of service quality performance were discovered in order to investigate the methods for the service quality improvement.

The retail environment is changing very rapidly in our days. It is characterized by intensifying competition from both domestic and foreign companies, a spate of mergers and acquisitions, and more sophisticated and demanding customers who have greater expectations related to their consumption experiences (Dabholkar, 2001, p. 3). According to Berry, a basic retailing strategy for creating competitive advantage is the delivery of high service quality (Reichhel 2003, p. 51).

Thus, service quality is perceived as a tool to increase value for the consumer; as a means of positioning in a competitive environment (Mehta, Lalwani and Han, 2000, p. 62) and to ensure consumer satisfaction (Sivadas and Baker-Prewitt, 2000, p. 77), retention and patronage (Yavas, Bilgin and Shemwell, 1997, p. 218). Vargo and Lusch (2004, p.2) define service as “the application of specialized competences (knowledge and skills), through deeds, processes, and performances for the benefit of another entity or the entity itself.”
There are some differences between service quality and the store service quality for the
definition of the retail service quality. A retail store experience involves more than a
non-retail service experience in terms of customers negotiating with several store
personnel along the way, finding the products they want to buy, and returning the
products, which all influence the service quality based on customers' evaluations. Thus,
although measures of service quality for pure service environments and for retail
environments are likely to share some common dimensions, measures of retail service
quality must capture additional dimensions (Dabholkar and Thorpe Joseph, 2001, p. 3).

Furthermore, as a means of positioning in a competitive environment to ensure
consumer satisfaction, retention and patronage, the service quality is being increasingly
perceived as an important element to increase value for the consumer. Delivering
superior service and ensuring higher customer satisfaction have become strategic
necessities for companies to survive in competitive business environment (Reichheld,
2003, p. 47). By satisfying customers through high quality service, business firms not
only retain their current customers, but also increase their market share (Finn and Lamb,
1991, p. 84).

Thus, the practice of excellent service quality has been proven to lead to increased
customer satisfaction (Sivadas and Baker-Prewitt, 2000, p. 79) and significantly indicate
the effectiveness of the retailers’ performance. As service quality can be the cornerstone
to retailing success, retailers need to constantly evaluate their service quality through the
use of a reliable measuring instrument.

By referring to Sivadas and Backer-Prewitt (2000) the excellent service quality can be
reach by high employee’s performance in the store because the service-oriented
employees are able to deliver high retail service quality to the customers and let them
occurrence favorable service experiences. Owing to the service-oriented employees in
the store are able to deliver the high retail service quality to the customers and let they
feel favorable service experiences, excellent service quality can be reached by high
employee’s performance. So service-oriented employees contribute a lot to the overall
service quality of the store in terms of having a much more clearer understanding of
retail service quality and knowing how to add value to the customers. In this way, retails
employees should understand the customers’ service experience, deliver clear and
consistent message to customers about quality and implement them at ground level.

The personal interaction between employees and customers is strongly emphasized
concerning the increased awareness of the significance of trying to satisfy customers
and their needs (Bettencourt and Gwinner 2001, p. 34) and thereby achieving high
service quality.

Additionally retail employees should take part in the evaluating and measuring the
different retail service quality’s dimensions which influence on the excellent customers’
experience, and how the experience is linked to customers’ value perceptions of the
company’s service offerings (Sandstrom, Edvardson et al., 2008, p. 113). Hence it is
really important to deal with the service-oriented employees in order to have best
implementation of service quality.
Providing an excellent service quality in the store service-oriented employees create a significant value for the customers and thus service quality directly leads to higher satisfaction amongst the customers. Many companies fail to meet customer expectations with respect to creating customer value (van Riel and Lievens, 2004, p. 98), probably because managers are not completely sure of what brings value to the customer, or how it is created.

Retail employees should perform processes and exchange skills and services in which value is co-created with the customer (Prahalad and Ramaswamy, 2004, p 6). At this time companies are searching for new and better ways to create value and differentiate their service offerings in order to attract and keep customers, as well as make a profit.

That’s why researchers and managers thrive for learning details about components of service quality (Seth and Deshmukh, 2004, p. 914) and prove the importance of service quality and its dimensions in determining overall service quality, as perceived by customers. By addressing this issue, firms can gain an understanding of the areas they should concentrate on when seeking to improve their overall service quality provisions (Oliva, Oliver and MacMillan, 1992, p. 90). Thus, service quality issue is relevant topic to study.

According to Seth and Deshmukh (2005) conceptual models in service quality enable management to identify quality problems and thus help in planning for the launch of a quality improvement program thereby improving the efficiency, profitability and overall performance of the store.

In conclusion, the integral involvement of the consumer within the service process suggests that we need to increase customer perceived value by developing close and trusting relationships with customers, and such relationships are logically fostered by a market orientation.

The consumer plays an active role in the service experience and they interact with personnel, the service script and supporting tangibles. The consequent transparency of the service encounter enables an impression to be formed of the firm’s commitment to deliver excellent service and in this way increasing value for the customers. In the same time the interaction which appears with service personnel enables improved market sensing by a company\, a capability of a market oriented company. This is especially the case in the context of the services industries where a high degree of intangibility may confound the relationship (Sin and Tse, 2002, p. 657), and intermediate variables such as service quality are also likely to significantly impact firm performance (Chang and Chen, 1998, p. 167).

It is observed that the service quality outcome and measurement can also be changing with respect to factors like time, new technology, type of service, competitive environment, etc (Seth and Deshmukh, 2005, p. 930).

Thus, the measurement tools are also should be adjusted in evaluating the perception of the service quality by customers. These demands for a continuous effort to learn, validate and modify the existing concepts of service quality were interest to trace in the development of the models in the literature. In the previous researches different
measurement tools were explained and applied to measure the service quality however
the most modern and appropriate Retail Service Quality Scale (RSQS) was not
experimented at the Scandinavian retail stores.

Considering the importance of the evaluation of the different dimensions of retail service
quality and measurement of those dimensions in order to deliver high value to the
consumer, it was deemed necessary to conduct further research to gain an understanding
the overall perception of retail service quality by customers. Moreover, it was concluded
from review of the previous studies that there were lack of studies on retail service
quality according to different dimensions at retail stores by applying the measurements
of the Retail Service Quality Scale (RSQS) conducted and executed (see figure 3).

1.2 Problem discussion

Service quality is a critical component of customer perceptions about the service.
Customers perceive services in terms of its quality and how satisfied they are overall
with their experiences (Zeithaml et al., 2000, p. 12). Thus, satisfying customer needs
through excellent service quality provided by customer-oriented salespeople will
increase the likelihood of customers returning to shop and eventually recommending the
stores to others, thus allowing the retailer to compete effectively in the marketplace
(Yesmine et al., 2003, p. 8).

Additionally, a number of correlated factors including the scope of services and
contraceptives available to clients, the way in which individuals are treated by
providers, the promotion of individual choice, the quality of the information provided to
the clients and quality of the counseling skills, the accessibility and continuity of
services, and the technical competence of providers are also a form of service quality.

Parasuraman et al. (1985) also found that the customer’s perception of service quality
depends upon the size and direction of the gap between the service the customer expects
to receive and what he or she perceive to have been received.

According to gap model service quality is defined as the gap between customers’
expectation of service and their perception of the service experience. A service quality
gap exists when there is a shortfall in which the service provider would like to close
(Lewis et al., 1994, p. 50).

That’s why the challenge which the retail service providers face is to build and retain
good relationship with the customers by providing to them as excellent service is
possible and make customers satisfied and sequentially, step by step, obtains customer’s
loyalty, through great retail service delivering. The established logic is that a market
orientation provides the basis for devising a strategy that creates value for customers,
and that such a strategy provides the foundation for a sustainable competitive advantage
that contributes to financial performance (For example, see the hypotheses related to
business performance developed by Jaworski and Kohli, 1993, pp. 52-57).
However, this line of reasoning does not in itself explain why a firm can realize value for its shareholders by pursuing a strategy of creating customer value. Nor is an explanation readily apparent in the market orientation literature. Kohli and Jaworski (1990, 1993), for example, found that an emphasis on profitability was “conspicuously absent” as a component of a customer value-based business strategy.

Chang and Chen (1998) make an important contribution to identifying the steps that fall between a market-oriented business culture and performance outcomes. These authors developed a conceptual model that postulates both a direct effect for market orientation on business performance, and an indirect effect through helping to improve service quality (Chang and Chen, 1998, p. 265). The model is tested with a sample of retail stockbrokers in Taiwan. The results support the hypothesis that a market orientation can assist firms to achieve a higher quality level, and that quality has a positive relationship with profitability. Quality is found to explain more of the variation in profitability than market orientation. The model including service quality (and a number of covariates) explains 38 percent of the variation in profitability between firms, and the addition of market orientation to the model only increases this to 45 percent. Chang and Chen (1998, p. 257) conclude that there are other potential intermediate variables unaccounted for, the pure direct effect of market orientation on profitability may be even smaller. This illustrates the importance of the identification of intermediate variables.

That’s why it is crucial for managers of the retail business constantly improve service quality within the stores. All necessary dimensions of retail environment should be evaluated and analyzed in order to become aware of the overall performance of the retail service quality in a store and conclude some issues for its improvement.

Building upon and synthesizing previous work, Brady and Cronin (2001) advanced the hierarchical conceptualization of service quality. Here, service quality is a multilevel construct consisting of sub-dimensions. The interaction quality dimension, in turn, is comprised of attitude, behaviour, and expertise of the service provider. The physical environment quality dimension is comprised of ambient conditions, design, and social factors of the service facilities. The outcome quality dimension is comprised of waiting time, tangibles, and valence.

There are numerous instruments measuring sub-dimension of service quality. However, some of them are not applicable for the measurement exactly the retail environment and attributes. One of the most popular measure instruments of the retail store coming from SERVQUAL model developed by Parasuraman et al. in 1988 (see figure 3).

Despite the fact that SERVQUAL has been empirically tested in various studies involving “pure” service settings, it has not been proven to be successfully applied in a retail setting (Dabholkar at al., 1996; Mehta et al., 2000) and also more specifically, in apparel specialty stores. The reason why it is not so effective with retail stores is because retail stores are also dependent on suppliers for goods that they sell and an essential part of customer satisfaction comes from the quality of goods sold by the stores.

So, later on the need for a measurement instrument that can accurately assess service quality in a retail environment was answered by Dabholkar et al. (1996) who developed and empirically validated a scale to measure retail service quality distinctively.
Dabholkar’s research about the retail service quality resulted in the development of the Retail Service Quality Model (RSQS). According to the scale, reveals how well respondents’ ratings of each of the five RSQS factors - physical aspects, reliability, personal interaction, problem solving and policy - explain customers’ judgments of overall service quality.

There are also evidences that consumers in some cases tend not to be satisfied with the service quality because of some particular reasons that could be because of quality of goods or after sales service or ease of transaction. The measurement tool such as RSQS allows retailers to determine service areas that are not causing to customer satisfaction and as a result not building consumer loyalty. And one way to do this is to test the RSQS model in practice. Therefore, by applying the Retail Service Quality Scale the “dark points of the service” can be investigated for the managers what means that this particular model also identifies the causes that are beyond process management and a diagnostic tool that allow retailers to determine service to identify and find solutions and areas that are weak and in need of attention for the future improvements (Dabholkar and Thorpe Joseph, 2005, p. 13).

Therefore, well awareness and analysis of the consumer’s perceptions about service quality lead to delivering great service to the customers in the stores and therefore it is a significant topic to study.

1.2.1 Scientific gap and contribution

After carefully reviewing various research studies conducted so far using the RSQS model, we realize that a few research studies have been carried in different service industries such as telecommunication, education, restaurants, banking, health care, etc, but limited empirical study has been conducted using the RSQS model to assess retail service quality in sport stores. We consider retail sport stores as part of the service industry because they deal with retailing of goods to consumers and in the course of retailing these goods they offer services in order to facilitate the shopping experience of consumers. Concerning the mentioned before fact that SERVQUAL model is not applicable in the retail setting the RSQS model since it was developed was not enough tested on different retail environment and no studies are found about applying RSQS to evaluate retail service quality in sport outlets. Considering the geographical aspects of measuring the retail service quality in sport outlets the RSQS was not measured on Scandinavia market. Moreover, it was proven from this study that perceived service quality had a positive relationship with customer satisfaction and we think this supports our argument of linking service quality and customer satisfaction. We therefore think applying the RSQS model for evaluating retail service quality on Scandinavian market would be a contribution to existing research on sport store context. This is our research gap and in order to fill the gap, we will try to measure overall retail service quality and customer satisfaction using the RSQS model from the consumer’s perspective by measuring their perceptions of all RSQS dimensions and comparing them with the expected level of retail service quality on the example of particular sport retailers in Helsinki, Finland.
1.2.2 Profile of chosen study’ object

We have chosen to analyze the retail service quality in four different Stadium stores in Helsinki area, Finland. The purpose to choose exactly this store brand is that Stadium is one of the biggest retail sport outlet in Finland at that moment and there are several Stadium stores located in Helsinki that gives us opportunities to conduct a research based on different perspectives from the customers from numerous stores. Moreover, Stadium is that kind of sport stores that has different assortment of the sport products - from clothing to sport equipment and accessories. This fact provides us a broader perspective on the research results which can be taken into consideration by similar retailers as Stadium which also have extensive assortment of the goods and what makes it difficult to evaluate the perceived service quality.

Final reason is that the company’s owners asked us to evaluate the service quality in the stores by providing them the practical recommendations in the end which they can use to improve the service for their customers and, in this way, increase overall profit of the retailer.

Stadium is at the moment the biggest chain in Sweden in private ownership selling sporting goods. The base in which Stadium is built was established in 1974 when Ulf Eklöf took over a small Spiralen Sport store in Norrköping, Sweden. The first store called Stadium opened in 1987 in Stockholm. Stadium Ltd has its headquarters on Norrköping and its owned and lead by brothers Ulf and Bo Eklöf (www.stadium.fi).

In Finland the first Stadium opened in year 2001 in Forum mall, Helsinki. Nowadays Stadium has five stores in Finland, in Espoo and two in Helsinki and Vantaa. In Espoo is also located the company’s service office. The product selection is quite the same in Finland as they are in Sweden (www.stadium.fi).

To Stadium’s product selection belong shoes, clothes, equipments for team sports, golf products, roller skates, skateboards, skis etc. Selection consists of the leading brands like Nike and Adidas as well as the groups own brands, like Everest, Warp, 4D and Soc. (www.stadium.fi)

1.3 Research question

Having therefore identified the area of study, we proceed to stating what we aim to understand based on the research.

The main issues we are addressing in this research are retail service quality and customer satisfaction using the RSQS model in sport store context. We are interested in measuring the overall retail service quality in the Stadium stores by evaluating all the dimensions of retail service quality from the consumer’s perspective through assessing their perceptions of service quality comparing with the expected level and make a conclusion in the end about overall customer satisfaction of the stores’ performance.
Accordingly, our research questions are brought forward as follows:

How customers perceive the overall retail service quality in sport stores?
Do the customers satisfied with the overall retail service quality in sport stores?

1.4 Purpose

The main purpose of this study is to test the RSQS model in the context of the sport stores in order to know its applicability the measurement of service quality in order to make a conclusion about overall customer satisfaction in the end. This is will be done by investigating the reliability and validity of the RSQS model in sport store environment. This will be a theoretical contribution for better understanding the RSQS model.

This study is also aimed at determining the overall service quality perceived by consumers in four Stadium sport stores in Helsinki area and identify if those dimensions bring satisfaction or dissatisfaction to consumers. This will enable retailers who work with similar type of sport store as Stadium where the assortment of the goods are various from clothing to sport equipment and accessories that makes it difficult for retailer to unbiased identify the most effective ways of closing service quality gaps and choose which gaps to focus on. This will be achieved by measuring the customer perceptions compared with the expected level of retail service quality performance on the various RSQS dimensions hence evaluating the gap scores obtained between the consumer’s expectations and perception of service experienced. This will also enable us to identify strengths and weaknesses in service quality of sport stores.

Summarily, our goal is to measure the customer’s perceptions of the retail service quality comparing with expected level and also understand them from different customers’ perspectives to identify gaps in delivering retail service quality in order to ensure customer satisfaction.

The aim of the thesis is following:

Measure customer experience in the retail stores according to five Retail Service Quality Scale (RSQS) dimensions proposed by Dabholkar et al. (1996) as physical aspects, reliability, general policy, personal interactions and problem-solving and examine by empirical studies how customers perceive the overall retail service quality according to those RSQS dimensions and if customers are generally satisfied with the retail service performance of Stadium sport stores in Helsinki.

The development of the main purpose also discovers the necessity to bring up the sub-purpose of the study.

Thus, the sub-purpose of the study is following: based on the overall evaluation of the service quality of the retail chain and conclusion about customer satisfaction the relevant practical recommendations about service quality improvements will be possibly provided to the retail managers.
1.5 Delimitations of thesis

We have to define our scope of research in order to make things clear. We are focusing our study on 4 different Stadium stores in Helsinki where the sport clothing, equipment and accessories are sold.

We are interested in evaluating how consumers perceive overall retail service quality in these sport stores. In our study we assume that most of sport stores as Stadium offer similar retailing quality and assistance to their customers. We are focusing solely on sport stores and not on all retail outlets that offer different kind of products. This study is limited to sport stores in Helsinki area because our sample is drawn from those living in Helsinki and do have experiences with sport outlets in the city. In this study, the word consumers’ will refer to consumers of four Stadium’s stores.
1.6 Disposition of the thesis

This sub-chapter presents the outline of the thesis. It gives the summary of each chapter and general explanation about what have been studied in the chapters.

Chapter 1: Introduction
- Introduces the background of the chosen topic and arguments why this topic is relevant and interesting to study. It provides the reader with basic information about conceptualization of the topic being discussed.

Chapter 2: Methodology
- It presents the research approach chosen to fulfill the aim of the thesis. The selection of sources of primary information and procedures used in order to collect it will be argued for. This chapter contains a presentation of the analysis process used with the data collected; trustworthiness of the thesis has also been considered for this chapter.

Chapter 3: Theoretical Framework
- It presents the theoretical framework for the study. It introduces the reader to the different concepts and theories of service quality and retail service quality, important to achieve the aim of the thesis.

Chapter 4: Empirical results &
- It presents the findings of the research approach and their analysis in order to answer on the research question. A connection between the empirical findings and the theoretical framework is made in this chapter. This chapter presents the answers to the research questions proposed in the first chapter of the thesis

Chapter 5: Conclusions
- It summarizes the most important findings in the analysis chapter. It presents the practical managerial implications to the retail managers based on the research findings. It includes further research suggestions, and further information needed to clarify the findings in the previous chapters. A further analysis on the limitations of the thesis is also made in this chapter.
Chapter 2: Methodology

The purpose of this chapter is to present and discuss our choices made in designing the research framework of this study.

2.1 Scientific approach

According to Bryman (2008) epistemological issue address the matter of what is, could and be the adequate knowledge for a subject. Usually epistemological problems concentrate on what knowledge is and what can be accepted as knowledge for the study. Bryman (2008) and other researchers (Saunders, Lewis and Thornhill, 2009, p. 54) stated that there are three possible distinctions: positivism, realism and interpretivism. The choice of epistemology is the choice of what to regard as information, and how authors of the research paper consider it. The positivistic school approach consequently focuses on the empirical findings and research that only can be regarded as facts (Bryman & Bell, 2007, p. 22-29).

Ontology shows to the authors in what way the study aligns the nature of social entities and answers questions such as “what is it” and so on. The choice of ontology is a choice of how social entities should be regarded in terms of relation to social constructions; either as objective entities that possesses an outer reality or as constructions based on the subjective actions and perceptions of these entities (Bryman and Bell, 2007, p 22-29).

Positivistic epistemology with objectivistic ontology coupled with deductive approach guide us in the course of our research based on testing theories to provide answers to our research questions after conducting statistical analysis. The type of research design defines the data collection methods.

Thus we have made the conclusion that our study will be based on the objective ontology. Since it is argued that social phenomena and its related meanings exists independently of social factors and that social phenomena and related categories are not dependent on other factors (Bryman and Bell, 2007, p. 22-29), we think that the best way to approach the subject of the retail services quality is to regard social entities in the economic sphere as they are – as objective entities with objective actions and relations to one another.

There were presented a few scientific assumptions about how to perceive the theories while doing the research study. Abraham Kaplan (1964) had made assertions about the theories. According to Kaplan the understanding of the causal relationships among the variables of research helps to make inferences about the behavior of objects and their affect to the subject of research. To solve a problem in real life without any theory can give extreme unexpected results which may seem not applicable. Theories are widely used by researchers in research process depending on the research type, objective and scope. The role of the research is testing theories and providing material and findings for the development of laws (Kaplan, 1964, p. 258).
According to the other scientists, there are two main ways of scientific approaches to theories of the research studies that can be found: first one is the deductive and second one is inductive (Bryman, 2008; Saunders, Lewis and Thornhill, 2009; Neergaard, 2007).

As the deductive approach enables one to test the theory instead of trying to create the theory (Bryman & Bell 2007, p. 9) this study will mainly be conducted with a deductive approach, trying to verify and falsify a number of scientific models the authors have investigated based upon different theories, which will be further presented in the next chapter. The authors have chosen to investigate theories in service quality, which is believed to have the most influence of the consumers’ perceptions of service quality in the sport outlets.

Deductive approach is also named as “testing theory” and it starts with analysis of already existing theories that are relevant for the research (Neergaard 2007; Saunders, Lewis and Thornhill, 2009). Thus, the researcher can create some hypothesis about investigated topic. After this, empirical data is collected and analyzed in order to test if discovered hypothesis are true or false. If the hypotheses are false, the researcher should propose a revision of the existing theory (Bryman, 2008, p. 22).

Inductive approach is also called ‘building theory’ and it is conducted in the opposite way. It starts with some specific observations and move to broader generalizations and formulation of theories (Saunders, Lewis and Thornhill, 2009).

Moreover, it can be argued that it is important to distinguish between a qualitative and a quantitative approach when writing a thesis and performing research.

Quantitative research is commonly associated with surveys or experiments and is considered the mainstay of the research industry for collecting marketing data. Quantitative research places heavy emphasis on using formalized questions and predetermined response options in questionnaires administered to large number of respondents (Ortinau et al., 2004, p. 171).

A quantitative study was found to be the most suitable option for this specific research problem since the authors wanted to see the problem from a wider standpoint, where a more general perspective of the problem can be emphasized. The authors decided to distribute a questionnaire to the different respondents in order to conduct the study. The choice of doing that is mainly based on the decision to perform a quantitative study where a broader and more generalized approach is the mean to be achieved.

In questionnaire research practices, researchers need skills on construct development, scale measurement, questionnaire design, sampling, and statistical data analysis. In addition, researchers must have a solid ability to translate numerical data into meaningful narrative information. Data reliability and validity issues are serious concerns with quantitative research (Ortinau et al., 2004, p. 173).
**Survey**

Where an empirical study involves collecting information from a larger number of cases by using questionnaires, it is usually described as a survey. A survey may be cross-sectional (data collected at one time) or longitudinal (collected over a period).

Because of the larger number of cases, a survey will generally involve some quantitative analysis. Issue of generalizability is usually important in presenting survey results, so it is vital to report how samples were chosen, what response rates were achieved and to comment on the validity and reliability of any instruments used.

Since we are tending to use a statistical tool as SPSS program for our survey, the data we have gathered are in fact numbers, and can not be interpreted in any other way than their values. Thus, the information we gather is absolute, which implies that the nature of this study is strictly positivistic (Bryman and Bell, 2007, p. 29).

Most customer satisfaction measurements are taken by surveys. These can be written questionnaires, telephone or face-to-face interviews, and focus groups. An intercept measurement is simply when a researcher stops a customer as they enter or leave a place of business and begins to ask questions. The customer is “intercepted”. The intercept technique can be either a written survey or oral interview or both (Gerson 1993, p. 59).

One major advantage of surveys is their ability to accommodate large sample sizes at relatively low costs. Using a large sample increase the geographic flexibility of the research. When implemented correctly, the data obtained from survey methods can increase the researcher’s ability to make inferences about the target population as a whole. Moreover, the data can be analyzed in many different ways based on the diversity of the variables, e.g. the gender, income, occupation etc. Thus one factor in favor of surveys is they collect quantitative data that can be used with advanced statistical analysis to identity hidden patterns and trends in the data (Ortinau et al., 2004, p. 222)

Surveys are designed to collect quantitative data, the statistical techniques selected may introduce subtle- levels of subjectivity to interpretation of data. Such subjectivity may not be as apparent in survey research as it is in qualitative research. (Ortinau et al., 2004, p. 222)

To conclude, the qualitative study based on deductive approach will help to test the existing theories about the retail service quality and fill up the scientific gap in order to allow us to provide more convincing results and conclusions. Moreover, with objective ontology this research can be easily linked to the existing theoretical knowledge in view that analysis of empirical data will be done with implementation of the relevant theories. This research study can be obtained by designing the questionnaire and conducting the qualitative survey.
2.2 Data collection approach

Based on the literature review and on the assumptions from the scientific methodological approach this research study measures the overall retail service quality of sport stores by applying the RSQS. Consequently, assessing a service quality scale requires examining all five scale dimensions. The retinal for this data collection method is based on the theory that respondents are more attentive to the task of completing a questionnaire and provide more meaningful responses when they are completing a questionnaire and provide more meaningful responses when they are contextualized in the environment that they are evaluating (Dabholker et al., 1996, p. 210).

2.2.1 Designing the survey’s questionnaire

Data were collected by means of a structured questionnaire. The questionnaire consisted of two sections, A and B. Section A session of the questionnaire included 21 statements about the retail service quality in order to be able to analyze the overall service quality perception of the sport stores.

All 21 statements were created based on the 5 main dimensions of Retail Service Quality Scales which are physical dimension, reliability, personal interaction with the customers in the store, problem solving strategy and general policy of the store.

Moreover, the physical dimension, reliability and personal interaction dimensions of the scale are also divided on the sub-dimensions. Physical dimension is divided on appearance and convenience of the store; reliability dimension – on promises and doing-it and personal interaction dimension – on inspiring confidence and courteousness/helpfulness. A few relevant questions were generated for every dimension and sub-dimension of the scale.

The structure of the questionnaire and all questions were designed according to the mentioned dimensions and sub-dimensions of RSQS model are presented in Appendix 3. All those sub-dimension are important to consider while conducting and analyzing the survey’s results in order to measure the unbiased overall service quality perception of the store and get a broader perspective on the service quality as such.

All statements employed a five-point Likert scale where 1 means “Strongly Disagree” and 5 – “Strongly agree”. Customer should give their agreement or disagreement based on number 4 as a departure point meaning expected level of service quality performed in the store. Numbers 1, 2, 3 means less than expected and 5 – more than expected.

The reason why we have chosen to employ the five-point Likert scale is that this scale will provide a better normal spread of observations for the conducting the research.

Section B of the questionnaire is pertaining to respondent profile which includes the demographic data as age. Moreover the frequency of visiting store and information about holding or not holding a loyalty card of this or that particular store is surveyed. The
demographic question and general questions and the general which were asked to the respondents are given in Appendix 4.

The reason why authors have chosen to use demographic question and the mentioned general questions in session B is to provide recovered practical implications for the retail managers and additionally find out the difference or similarities in the perception of the overall service quality between customers according to different ages and also measure the loyalty of the customers by investigating the answer about frequency of visiting the store and holding a loyalty card.

Applying those supplementary questions about age, loyalty card and frequency of visiting the store the researchers will be able to provide better and unbiased recommendations to the retail managers.

2.2.2 Sample of the survey

The sample was collected from Helsinki in Finland. Helsinki is the biggest city in Finland and was selected because of large amount of Stadium retail stores there.

The target respondents were current customers of the department store. The questionnaire was administered prior to the respondents’ shopping experience. The responses could then reflect evaluations of previous shopping experiences at the store (Rust and Olive, 1994, P86). Four stores from the chain were chosen in the study.

The final sample which is consisted of total 300 respondents was obtained. In order to get 300 finalized responds for the questionnaire more than 350 potential customers of the sport stores were approached.

Most of the respondents of the survey were Finnish. The instructions and a supply of questionnaires were developed in English and Finnish languages what allows the respondents to understand the survey’s questions in more convenient way. It was necessary to translate the questionnaire into Finnish by a translator experienced in translation in the service quality management field. To reduce any translation bias, the Finnish version of the questionnaire was again translated into English by a fellow researcher who was undertaking research in quality management. Finally, the English version of the questionnaire was made available to reduce any confusion that might arise in the respondents.

After studying of the annual reports of Stadium, we found out that the main customers of Stadium are mainly from 18 to 55 years old. These target customers were divided into three age groups. Researchers always asked customers whether they belong to any of the three age groups firstly. All the respondents must match with the three age groups.

6 students from Haaga-Helia University of Finland were hired to conduct the survey together with authors. There were 8 people in total who were divided into 4 groups. One group was responsible for doing the survey outside of one Stadium store. The 300 questionnaires were finished in three days, two weekdays and one weekend day. The
researchers did the survey in different time during a day, which includes the busy hours and less busy hours of four stores in order to get more reliable questionnaire results.

The sample for questionnaires was based on simple random sampling. Each member of the population has an equal chance of being chosen in simple random sampling. The selection of each unit is not affected by the selection of other units. Our researchers stood outside the store, and chose all customers randomly to be our respondents. Customers of the store had the equal chance to be chosen as our respondents during the survey process. The limitation for this random sample was that the survey finished in a short time period. (Remenyi, et al. 2005, p.194).

2.2.3 Analysis methods

In order to determine the best predictors of behavioral intentions descriptive statistics method was used for all survey’s questions. Descriptive statistics outcomes about five dimensions compare with age, holding the loyalty card and frequency of visiting the store were developed.

Moreover, in order to be able to test the RSQS model and evaluate all five dimensions, the sample T-test was calculated and furthermore the gap analysis between average perception scores for every dimension and expectation value were employed (Bagozzi and Heatherton, 1994, p. 37; Parasuraman et al, 1990, p. 21).

Gap analysis method is the traditional comparison approach which uses each item as a separate indicator of the relevant construct, provides the most detailed level of analysis for construct. The gap analysis technique allows researchers to proceed with meaningful research by combining items into composites to reduce higher levels of random error and yet it retains all the advantages of structural equations, including accounting for measurement error, allowing for multiple, multidimensional variables and testing for hierarchical factor structure (Dabholkar et al., 1996, p. 9).

In this research gap analysis was accomplished by aggregating items that related to a given construct so that there are two combined indicators instead of all single-item indicators.

Statistical tools are one of the main components used for being able to analyze and interpret the data that is collected through the surveys. The statistical tests and analyses are needed in order to see correlations between some of the attributes that have been investigated. A correlation matrix was created in the program SPSS (Statistical Package for the Social Sciences), where also a number of statistical analyses between different factors were conducted.

The one-sample t-test was used to evaluate the difference between the mean of each variable and the test value. One sample t-test is used to know the mean difference between the sample and the known value of the population mean. We should know the population mean first in the one sample t-test. A random sample should be drawn from the population and then compare the sample mean with the population mean. The one
sample size should be less than 30 and the dependent variables should be normally distributed. The sample should be random (Holmen & Solvang, 2006, p.180).

The hypothesis testing was used in the one sampling t-test. In hypothesis testing, it decides whether or not the population mean is different from the same mean. We need to compare the calculated value with the table value. If the calculated value of the one sample t-test is greater than the table value, then we will reject the null hypothesis. Otherwise, the alternative hypothesis will be rejected (Holmen & Solvang, 2006, p.180).

2.2.4 Pilot study

In order to get the best results possible from performing the questionnaire, a pilot study was made and carried out prior to the actual study was conducted. It can be argued that the pilot study is a useful tool in determining how adequate the questions and the instructions are (Dahmstrom, 2005, pp. 143-145).

A pre-test with a sample of 20-questionnaire was conducted. It resulted in the deletion of three questions out of 24 statements about all RSQS dimensions. Those 3 questions were deemed inappropriate in terms of meaning in this research and were doubling and overlapping with the other questions in the same questionnaire.
Chapter 3: Theoretical Framework

In this chapter, we review relevant literature connected to our topic. This will involve bringing up the theories that we are using in our study. We discuss issues on service quality, retail service quality, customer satisfaction and value proposition, the different scales which were developed before to evaluate service quality and their comparison. In the end of the chapter we define relevant concepts in order to enhance our understanding of the topic in order to provide answers to our research questions future on. Summarily, this theoretical framework will enable us build a conceptual model that will be the road map for our empirical observations.

3.1 Understanding the Service quality

Service quality is defined as customers’ perception of how well a service meets or exceeds their expectations (Czepiel, 1990, p.14; Zeithaml et al., 1990, p.91). In today's competitive environment, organizations should earn the customer's trust by consistently meeting customer expectations. The gap between expectation and perception is the major determining factor in a customer's assessment of service quality. One of the most important customer service skills that companies should develop is the ability to understand and effectively respond to the customer's needs and concerns.

The expectations of the customers are built by perceived service quality in a retail store. The construct of quality in the services literature focuses on perceived quality, which is defined as a consumer’s judgment about an entity’s overall excellence or superiority (Zeithaml, 1987). This approach differs from that objective quality, which involves an objective assessment of a thing or event. Perceived quality is a form of “attitude”, resulting from a comparison of expectations with perceptions of performance. Moreover, service quality is an antecedent of the broader concept of customer satisfaction (Buttle, 1996; Zeithaml et al 1990; Lee et al., 2000) and the relationship between service quality and loyalty is mediated by satisfaction (Hunter and Taylor 2003, p. 20-22). Oliver (1997) defines satisfaction as “the consumer’s fulfillment response”, a post consumption judgment by the consumer that a service provides a pleasing level of consumption-related fulfillment, including under- or over-fulfillment.

The perception of service quality is recognized as a multi-dimensional construct. While the number of dimensions often varies from researcher to researcher, there is some consensus that service quality consists of three primary aspects: outcome quality, interaction quality, and physical service environment quality (Rust and Oliver, 1994, p.193; Brady and Cronin, 2001, p.18).

Gi-Du Kang (2006) in his scientific paper “The hierarchical structure of service quality: integration of technical and functional quality” extended the understanding of service quality by empirically examining the conceptualization of service quality (both technical and functional) (see figure 1). Figure 1 summarizes the categorization of the dimensions of service quality as suggested by Gi-Du’s research paper (Kang, 2006. p. 266).
Whereas service quality is known to be based on multiple dimensions (Gronroos, 1990, p.36-43; Parasuraman et al., 1985, p. 48), there is no general agreement as to the nature or content of the dimensions (Brady and Cronin, 2002, p. 18). However, a review of the service quality studies to date explicitly shows that European scholars have exerted a great influence on the study of service quality dimensions. That is, the contemporary discussions on the dimensions of service quality have been initiated by European scholars Lehtinen and Lehtinen (1982).

Gronroos (1990) identified two service quality dimensions, the technical (or outcome) aspect (“what” service is provided) and the functional (or process) aspect (“how” the service is provided). Functional quality focuses on “how”, and considers issues such as the behavior of customer-contact staff and the speed of service, whereas technical quality focuses on “what” and considers such issues as the end result of service provision. The customers perceive what s/he receives as the outcome of the process in which the resources are used, i.e. the technical or outcome quality of the process. But s/he also and often more importantly, perceives how the process itself functions, i.e. the functional or process quality dimension (Kang and James, 2004, p. 266). Example about functional quality can be the trained staff that is able to prove the customer with swift service while they are dealing with the customers directly.

Gronroos also emphasized the importance of corporate image which links to the functional quality dimension in the experience of service quality, similar to the idea proposed by Lehtinen and Lehtinen (1982). Customers bring their earlier experiences and overall perceptions of a service firm to each encounter because customers often have continuous contacts with the same service firm (Gronroos, 2001).

Outcome quality refers to the customer’s assessment of the core service which is the prime motivating factor for obtaining the services (e.g. hair cut, money received from ATM) (Birgit Leisen Pollack, 2008, p. 539).

Interactive quality refers to the customer’s assessment of the service delivery process, which is typically rendered via a physical interface between the service provider, in person or via technical equipment, and the customer (Gronroos, 1984). It contains, for example, the attitude of the service providing staff evaluated by the consumer. The physical service environment quality dimension is related to the consumer’s evaluation of any tangible aspect based on the facilities or equipment that the service is provided in/with. It consists of, such as the physical conditions of an ATM machine or the architectural design features of a hair salon.
Figure 1: Dimensions of service quality

Source: Gi-Du Kang, 2006, p. 40

Speaking about service quality from customer aspect, the service experience issue arises. The reason for this is that in the end service experience is the total sum of the functional and emotional outcome dimensions of service quality where customer satisfaction plays a key role as end measure of success of any business. We assert that the service experience cannot be separated from the service and paid for separately based on assumptions of Pine and Gilmore (1998). The service experience is always individual and unique to every single customer and every single occasion of consumption, and it assumes that the customer is an active co-creating part of the service consumption process.

Service experience linked to the value proposition to the customers and result to service quality outcomes. The connection between service experience, value proposition and service quality outcomes is presented in Figure 2 (Sandstrom, Edvardson et al., 2008, p. 121).
Figure 2: The Service Experience

Source: Sandstrom, Edvardson et al., 2008, p. 121

According to the figure 2, in order to fully leverage experience as part of a value proposition, organizations must manage the functional and emotional outcomes of the experiences with the same rigor they bring to the management of service functionality (Sandstrom, Edvardson et al., 2008, p. 119). An emotional reaction is part of a qualitative and favorable experience (Cronin, 2003; Edvardsson et al., 2005). Functional qualities are not enough to get the complete service experience. Thus, insufficient attention has been paid to the total service experience, including the emotional dimensions (Gronroos, 2001; Wong, 2004, p. 76). Sandstrom, Edvardson et al (2008) in their scientific paper “Value in use through service experience” states that a service experience is the total functional and emotional value of a consumed service. Value in use is the cognitive evaluation of the service experience. And the service experience consists of functional clues that indicate whether the different parts of the service are working as they are supposed to.

That’s why the insufficient attention has been paid to the total service experience, including the emotional dimensions (Gronroos, 2001; Wong, 2004). McKnight and Sechrest (2003) stressed that the service experience is a criterion for evaluating and understanding service performance.
3.2 Previous studies about services quality

As service industry has contributed significantly to the global economy in the past few decades, service quality also draws attention of many practitioners and researchers (Duy Nhat, 2007, p. 16). It has become a significant subject because of its impact on customer satisfaction.

There was various service quality models proposed and applied in different contexts. It is interesting to trace the development of the models in the literature. The growth of literature in the field of service quality seem to have developed sequentially, providing a continuous updating and learning from the finding or observations of predecessors (Seth and Deshmukh, 2004, pp. 930-932).

Gronroos (1990) found that word-of-mouth has a more substantial effect on potential customers than traditional marketing, and e-service quality model also indicated that we need service quality research based on consumers’ views.

Gronroos (1990) and Lehtinen and Lehtinen (1982) noted that the quality of a service as perceived by customers has three dimensions: functional (or process) dimension, technical (or outcome) dimension, and image (see figure 1).

The work by Brown, however, does not reflect Gronroos’ (1990) later conceptualization of service quality perception that emphasizes the role of image as a filter in the perception of service quality in addition to the technical and functional quality dimensions but is focuses more on the concrete points that are used to measure quality irrespective of the existing image.

The focus on functional quality attributes is referred to as the American perspective of service quality while the European perspective suggests that service quality considers two more components, technical quality and image (Kang and James, 2004, p. 266) and the reason behind is the sudden boom in the technicalities involved in all dealing resulting in ease of process but in some cases it turns out to be ruining the service quality because of complications involved hence major focus should be given to make it easy and user friendly.

A more recent conceptualization of the service quality dimensions was proposed by Rust (1993) and Oliver (1994). They proposed a three-component model in which the overall perception of service quality is based on a customer’s evaluation of three dimensions of the service encounter:

(1) the customer-employee interaction (i.e. functional or process quality),
(2) the service environment, and
(3) the outcome (i.e. technical quality).

Parasuraman et al. (1985) modeled service quality as a gap between consumer and marketer sides at different levels, using WOM as a key contributor to the expected service. Later Parasuraman et al. (1990) developed and revised service quality measurement tool, SERVQUAL (see figure 3).
Although SERVQUAL has been applied in the study of different types of service industries, there are certain limitations and criticisms. Appendix 1 presents the summary of SERVQUAL Replication Studies though the whole development process of the model. The widespread concerns about the model are the 5 dimension of the SERVQUAL scale, the appropriateness of operationalizing service quality as the expectations-performances gap score and the scale’s applicability to a retail setting (Bakakus and Boller, 1992; Finn and Lamb, 1991; Reeves and Bednar 1994).

Speaking about expectations-performances gap score a widely used method to measure the service quality was developed by Parasuraman, Ziehhaml and Berry in 1988. The model they developed concentrates on different gaps which can be decreasing to the extent of service quality delivered. The mentioned gap analysis is shown in appendix 5.

Moreover it would seem that technical quality has been neglected in SERVQUAL’s measurement of service quality (Parasuraman et al., 1985).

![SERVQUAL model](image)

**Figure 3: SERVQUAL model**

Source: Y.N. Li et al, 2003

The measurement of service quality through SERVQUAL was criticized by Cronin and Taylor (1992) and Teas (1993) and they proposed SERVPERF (a service quality tool for measuring perceptions only). This was again criticized by Parasuraman et al. (1994), and further counter-acted by Cronin and Taylor (1994) and Teas (1994).

The major difference between SERVQUAL and SERVPERF scales that SERVQUAL operationalises service quality by comparing the perceptions of the service received with expectations, while SERVPERF maintains only the perceptions of service quality. The SERVPERF scale consists of 22 perception items excluding any consideration of expectations. The superiority of SERVPERF over SERVQUAL has been demonstrated in numerous studies including those by Lee et al. (2000, p. 226) and Brady et al. (2002, p. 44).
Finn and Lamb (1991) tested SERVQUAL in four different types of retail stores, ranging from “stores like Kmart” to “stores like Neiman Marcus”. Using confirmatory factor analysis, Finn and Lamb were unable to find a good fit to the proposed five-factor structure and concluded that SERVQUAL, without modification, could not be used as a valid measure of service quality in a retail setting. However, they did not offer an alternative acceptable structure or measure (Dabholkar et al., 1996, p. 4).

The need for a measurement instrument that can accurately assess service quality in a retail environment was answered by Dabholkar et al. in 1996. This author provided an approach to define and measure retail service quality by developing the Retail Service Quality Scale (RSQS).

Apart from Dabholkar et al (1996) contribution, there are also other studies by numerous authors relating to this area, many of which replicated the RSQS in their own culture and research settings.

Thus, a review of previous researches about service quality explicitly shows that European scholars have exerted a great influence on the study of service quality dimensions.

To conclude, the review and comparison of the presented above previous studies support us to choose the most relevant model for the research in order to measure the customer perception of service quality in the retail store - Retail Service Quality Scale (RSQS).

### 3.3 Retail Service Quality

In the retail context, perceptions of service encounters accumulate over time and a customer’s relationship with an organization are a continuation of exchanges or interactions both past and present (Czepiel, 1990). When customers evaluate retail service, they compare their perceptions of the service they receive with their expectations.

Service quality in retailing is different from any other product/service environment (Finn and Lamb, 1991, p. 85; Gagliano and Hathcote, 1994, p. 67). In retail setting, especially retail stores where there is a mix of product and service, retailers are likely to have impact on service quality more than on product quality (Dabholkar et al., 1996). As retailers can create such effects, service quality plays a significant strategic role in creating quality perceptions (Duy Nhat, 2007, p. 15).

Maintaining excellent service quality within the stores is no simple task as it requires continual measurement from time to time to monitor and identify areas of activity that may be responsible for the standards of service quality (Yesmine et al, 2003, p. 7).

A brief look at several service quality studies in the retail environment and their development from 1994 to 2004 is presented in Appendix 2.
Retail service quality is also highly associated with future consumption behavior in terms of the customers’ intention to visit, purchase and recommend the store to family and friends. All the underlying dimensions (explained earlier) of service quality play a role in stimulating repeated store patronage and the spread of good word-of-mouth (Yesmine et al, 2003, p.7).

Hence, it is important for the retail managers to pay attention on evaluation retail service quality in the stores according to relevant dimensions and measurements that the value proposition is experienced in a way which brings highly perceived value to the both sides – customers and organizations.

**Retail Service Quality Scale (RSQS)**

To contextually fit the retail industry, Dabholkar et al. (1996) developed Retail Service Quality Model (RSQS). Based on SERVPERF, RSQS includes 28-item scale, of which 17 items are from SERVPERF and 11 items are developed by qualitative research. The Retail Service Quality Scale composes of 5 dimensions, namely:

1. **Physical aspects**
2. **Reliability**
3. **Personal interaction**
4. **Problem-solving**
5. **Policy**

According to Dabholkar et al. (1996), retail service quality had a hierarchical factor structure which comprised of five basic dimensions (see Figure 4).

![Figure 4: The proposed hierarchical structure of retail service quality](image-url)

The detail explanations of the dimensions are:

1. **Physical aspects** – includes functional elements like layout, comfort and privacy and also aesthetic elements such as the architecture, color, materials and style of the store.

2. **Reliability** – a combination of keeping promises and performing services right.

3. **Personal interaction** – the service personnel being courteous, helpful, inspiring confidence and trust in customers.

4. **Problem-solving** – the handling of returns and exchanges as well as complaints.

5. **General Policy** – a set of strategies, procedures and guiding principles which the store operates under such rules as high quality merchandise, convenient operating hours, availability of parking spaces and payment options.

**Physical aspects:** Physical aspects of retailer include equipment and fixtures, physical facilities, materials associated with store’s service, convenience of physical facilities and layouts. In addition to the appearance of the facilities, it also takes into account the convenience offered the customer by the layout of physical facilities (Berry 2004).

Bitner (1992) refers to physical/technical enablers using the term “servicescape” (a combination of service and landscape), including ambient conditions (temperature, air quality, and noise), space and function (layout, equipment, and furnishing), and signs and symbols (e.g. signage, style of decor, and personal artifacts). Thus, physical/technical products or attributes are necessary dimensions when creating the conditions for a service experience (Bitner, 1992, p.61).

The retail store atmosphere also has been shown to have a positive influence on consumers’ patronage intentions (Baker et al., 1993). We expect this linkage in our study as well.

Atmospheric cues consist of ambience, design, and social factors (Baker, 1986, p. 24). According to research of Arun Sharma and Thomas F. Stafford (2000) store atmospherics can enhance customers’ quality perceptions, which lead, in turn, to higher levels of persuasion. Thus, store environments have become an increasingly important method of retail positioning (Levy and Weitz, 1995, p 105).

The environment of a store is an important part of the shopping experience. The environment is offered by a store can influence consumers’ decision to visit the store (Kotler, 1973, p.48), and the retail environment can guide consumers’ inferences about merchandise, service quality, and enjoyment at the store (Mehrabian, 1974; Zeithaml, 1988).

**Reliability:** Reliability of retailers includes keeping promises to do something, providing right service, available merchandise and error-free sales transactions and records (Mehrabian, 1974; Zeithaml, 1988).
**Personal interaction:** The personal interaction dimension of retailers includes employees having knowledge to answer questions, inspiring confidence, providing prompt service, willing to respond to customer’s requests, giving customers individual attention, showing consistent courteously with customers and even treat customers properly on the phone (Mehrabian, 1976; Zeithaml, 1988).

The role of interpersonal interaction in influencing customer satisfaction has been recognized in prior literature on services marketing (Ndubisi, 2007, p. 830). In contrast, for a business delivering service in interactive encounters with customers, “personalization” emerges as the most important determinant of perceived service quality, and of customer satisfaction and other patronage indicators (Lassar, 1995, p. 12).

Thus, an important factor in retail store loyalty is interpersonal relationships between retail salespeople and customers (Macintosh and Lockshin, 1997, p.487-488).

**Problem-solving:** Problem solving addresses handling of returns, exchanges and complaints. The problem solving dimension of retailers includes: willingness of retailers to handle returns and exchanges, sincere interest in problem and handling customer complaints directly and immediately (Mehrabian, 1974; Zeithaml, 1988).

**General policy:** This dimension captures aspects of service quality that are directly influenced by retailers’ policy. It includes high quality merchandise, convenience of parking and operating hours as well as accepting major credit cards. Intangibles can also reflect the specific norms and values of a company, e.g. its codes of conduct and corporate narratives (Edvardsson and Enquist, 2002, p. 115).

The importance of interactions between the service and its customers is well recognized within the services marketing literature and they are known as ‘moments of truth’. Each moment of truth is an opportunity for the customer to evaluate the quality of the service that he or she is provided with (Duy Nhat at al, 2007, p.16).

Processes that lie to the left of the line of visibility represent the back office mechanisms required to deliver the service to the customer. These processes also have an important effect on the perceived quality of the service (Lings, 1999, p. 454).

RSQS has been used by some researchers in measuring service quality in certain types of retailers such as department stores, supermarkets and discount stores. Retail Service Quality Scale (RSQS) had been successfully adapted and validated in a retail store environment. A retail store experience involves more than a non-retail service experience in terms of customers negotiating their way through the store, finding the merchandise they want, interacting with several store personnel along the way, and returning merchandise, all of which influence customers' evaluations of service quality (Mehrabian, 1974; Zeithaml, 1988).

The Retail Service Quality Scale (RSQS) scale provides information on how the customers (both internal and external) perceive the quality of the service with which they are provided. Where the customer is not satisfied with the service, information
from the Retail Service Quality Scale (RSQS) measures can be used to create specific
targets for the supplier (Lings, 1999, p. 456).

3.4 Theoretical framework summary

At the beginning of the theoretical framework, the customer satisfaction and value
propoposition theories were presented to the reader in order to connect them to the issues
as expectation, perception and dimensions of service quality. We also studied how the
previous studies measure the service quality. Then we compared the SERVQUAL and
SERVPERF model with the Retail Service Quality Scale (RSQS model). The RSQS
model was chosen to measure the retail service quality in our study, so we focused on
this model at the last part of the theoretical framework. The 5 dimensions of the Retail
Service Quality Scale, which are Physical aspects, Reliability, Personal interaction,
Problem-solving and Policy, were described detailed.
Chapter 4: Empirical results and analysis

In this chapter authors present the facts and results that were obtained when conducting the study. The objectives of the empirical part are firstly to analyze the primary data collected from the survey and secondly answer on the research. Thus, the relevant data from conducted surveys according to the chosen methodologies will be presented and analyzed with SPSS in line with the theories in use.

Empirical study shows what the authors have found by analyzing the survey outcomes and moreover which findings are relevant to the thesis’s purposes and sub-purpose in order to provide significant managerial implications. Furthermore, in the last session of the chapter the finalized discussions and of the empirical study’ results are presented.

Moreover, analysis part includes presenting the outcomes about how consumers perceive service quality in retail stores and whether they are satisfied or not satisfied with retail service quality in the stores generally and specifically according to every RSQS dimension. This investigation will enable authors accomplish the objectives of the study which are mainly describing and proving the theoretical issues about retail service quality, value proposition and customer satisfaction.

The analysis is obtained in two ways. Firstly, the descriptive analysis involves mainly presenting the statistical results in order to summarize data for the general conclusions. Then the demographic characteristics of the respondents and the general answers about loyalty card and frequency of visiting the stores are outlined in order to and investigate the dependence or independence between demographical factors about the stores’ customers and their satisfaction with the service quality. The main analysis additionally involved the validity and reliability investigation which helps out to find out if the RSQS model is applicable in the context of retail stores.

Secondly the statistical analysis about differences in perception is analyzed and presented. Furthermore the gap analysis model is to enable authors to examine the evidence about how consumers perceive service quality in retail stores and try to identify which dimensions and more specifically sub-dimensions of RSQS they are satisfied or not-satisfied with.

To conclude, the gap analysis and descriptive statistics were applied to summarize means of perceptions of consumers. The gap analysis will support to provide better practical recommendations and conclusions.
4.2 Personal characteristics of the respondents

The profile of the respondents in the questionnaire is identified by the question about belonging to particular age group. The results about personal characteristics of the respondents as follows; from range of 18 to 30 years were 41.4%, from 31 to 40 - 32.6% and from 41 to 55 - 26%.

4.3 Descriptive statistics

In the descriptive statistics part authors decided to present the general results. With the support of different statistical tools and mainly SPSS software, several interesting diagrams will be presented, which refer to particular conclusion about service quality’ dimension or sub-dimension in the theoretical context that has been outlined in previous chapter.

The study has additionally provided with mentioned personal facts of the respondents, which we would like to present as an additional results showing differences or indifferences in perception of the retail service quality between different age groups.

All dimension and sub-dimensions in the service quality scale have been measured according to customers’ perception of the overall service experience in each dimension. The answers which measure the overall impression of the service quality within the different age groups are presented. As can be seen in the bar charts, there are respondents linked to all the different options ranging from “Strongly disagree” to “Strongly agree”.

4.3.1 Analysis results of the general questions

Frequency of visiting the store

The first general question is about frequency of visiting the store in average. There are four options, which are twice a week, once a week, monthly and occasionally. It indicates that most of respondents visit the store monthly (132 out of 300 respondents, 44%). The second biggest group visits the store once a week (29%). 17% (52 respondents) visit the store occasionally. We can see majority of respondents visit the store at least one a month in average.

Figure 5: Frequency of visiting the store

![Diagram showing frequency of visiting the store]
Holding a loyalty card

The second general question is about obtaining a loyalty card or shopping card of the store. The outcomes show that 273 respondents do not have a loyalty card of the store. Just 27 respondents have the card. 9.8% of respondents have a royalty or shopping card of the store. From the above figure we can see that most of the customers who have loyalty card go to the store once a week. Around 30% of customers with loyalty card visit the store twice a week.

![Figure 6: Holding a loyalty card](image)

4.3.2 Analysis of RSQS dimensions and sub-dimensions

Here follows the result investigation of all main dimensions and sub-dimensions of RSQS scale.

1. Physical look of the store

In the questionnaire, we have three sub-questions which are concerned to the physical look of the store.

![Figure 7: Modern-looking equipment and fixtures](image)

The first sub-question was asked the respondents that if they think equipments and fixtures in the store are modern-looking or not. The graph shows that most people (44%) agree that equipments and fixtures in the store are modern-looking. The second biggest
group (around 24%) chose the Strongly Agree option. 50 in 300 respondents (around 17%) stood in the position of neutrality. It is notable that around 16% of people think that equipments and fixtures are not modern-looking.

From the second sub-question, we want to know customers’ opinion about the shopping bags, loyalty cards and catalogs in the store. From the graph above, we can conclude that 141 out of 300 respondents (47%) have indifferent opinion about the shopping bags, loyalty cards and catalogs. Around 32% of the people don’t like the shopping bags, loyalty cards and catalogs, and 8% of the people don’t like them at all. We can see, just 13% have the positive opinion, chose Agree and Strongly Agree. According to these numbers, we can see that the design of the shopping bags, loyalty cards and catalogs in the store are not so attractive to customers in general.

The last sub-question of physical look in the store is about the restrooms and fitting rooms. From the graph above, we can see that most people (178 out of 300 respondents, around 78%) agree that the restrooms and fitting rooms are clean, attractive and convenient. 19% chose Strongly Agree and 16% of the people have Indifferent opinion about this question. Just less than 6% in total are not satisfied with the restrooms and fitting rooms.
We can say that a majority customers like the restrooms and fitting rooms in the store, and they are willingly to use them during the shopping process.

2. Service Conveniences

In the second question group, we have two questions about the service convenience of the store.

![Figure 10: Store layout is easy for customers to find what they need](image)

Figure 10: Store layout is easy for customers to find what they need

The first sub-question asked the respondents that whether the layout of the store is easy for them to find what they need or not. Around 42% of the people (125 out of 300 respondents) agree and 23% (85 respondents) strongly agree that the layout of the store is easy for them to find out what they need. 18% have indifferent opinion. The rest 12% respondents think the layout of the store is inconvenient for them to find products.

![Figure 11: Store layout is easy for customers to move around](image)

Figure 11: Store layout is easy for customers to move around

The second sub-question was conducted to find out whether the store layout is easy for customers to move around in the store. The graph shows that around 39% (118 out of 300 respondents) chose Agree and 34% of the people (108 respondents) chose the option Strongly Agree. In total, 73% think that the store layout is easy for them to move around in the store. 15% disagree and 1% strongly disagree that the store layout is convenient for them to move around.
We can conclude that majority customers think the design of store layout is convenient for them to move around in the store.

3. Reliability

The third questions group was conducted to find out the reliability of the store, which includes four sub-questions.

The first sub-question was in purpose to find out whether the salespersons do repairs or alterations by a certain time as promises or not. From the graph we can see that the biggest group (160 respondents, around 53%) chose the scale Indifferent. 28% and 14% agree or strongly agree that the store will do repairs or alterations by a certain time as promises. 11 and 1 respondents chose ‘Disagree’ and ‘Strongly Disagree’.

We can assume that most of the respondents chose the neutral position because that they do not have experiences of repairing or exchanging products from the store. Comparing with the percentages between positive and negative answers, most customers had the good experience of repairing or exchanging products in the store. But still there are 12 respondents out of 300 think the store can not do it as promises.

This question was conducted to find out whether salespersons perform the service right the first time in the store or not. The graph shows that most respondents have negative
attitude with this question. 30% (90 respondents out of 300) strongly disagree and around 32% (95 respondents) disagree that salespersons perform the service when they enter the store. 16% and around 8% chose the options much less then expected to better then expected.

According to this graph, we can assume that most of the time, salesperson do not greeting or ask customers if they need help when customers enter the store. A small mount of customer think the store performs the service right the first time.

![Graph showing customer responses to salesperson interaction](image1)

Figure 14: Perform error-free purchase transactions with the cards

This question asked that if the store always perform error-free purchase transactions with the cards. From the graph, we can see that most of the respondents (around 63%, 188 respondents out of 300) agree that the store always perform error free purchase transactions with the cards. The second biggest number of respondent (around 23%, 70 respondents) strongly agree it. Just 2% and 1% respondents chose less then expected to and expected.

From those numbers, we can conclude that a majority of customers think the store always perform error-free purchase transactions with the cards. The performance of transactions with cards is very good. However there is still a very small chance of exception happens some time.

![Graph showing customer responses to merchandise availability](image2)

Figure 15: Merchandise available when customers want it
The last question in the third question group asked that if the merchandise available when the customers want it. From the graph above, we can see that around 43% (130 out of 300 respondents) agree that the merchandise is available when they want it. 15% strongly agree it. There are 58% of people gives positive attitude to merchandise availability. Around 13% and 8% of the people disagree or strongly disagree with it, which indicates that some merchandise may not available some times when customers want it.

We can assume from the analysis above that customers can find what they want in the store most of the time. Still some customers may not get the size or style they want to have in the store.

4. Personal Interactions

In the fourth question group, there are five sub-questions which are purpose to find out the performance of personal interaction in the store.

According to the graph above, it shows that 27% o and 23% of the people agree or strongly agree that employees have the knowledge to answer customers’ questions. 20% have indifferent opinions. 18% (55 out of 300 respondents) disagree and 12% (35 respondents) strongly disagree. We can see that half of the respondents (50%) are satisfied with employees’ knowledge of products, and one third of the respondents are not satisfied with it.

In this case we can conclude that still some of the customers (one third) are not satisfied with employees’ knowledge of introducing and guiding the products.
This question was conducted to indicate if the behavior of employees in this store instills confidence in customers. From the graph above, it shows that most of the respondents chose the options from indifferent to strongly agree. Around 39% of the people (116 out of 300 respondents) agree and 29% strongly agree that employees instill confidence in customers. 11% disagree with it. Only 4% of the people strongly disagree with the behavior of employees.

We can conclude that most of the customers (around two third) think they can get confidence from the behavior of employees. Comparing with the proportion of customers who agree that employees have knowledge to answer customers, more customers get confidence from the behavior of employees. It shows that employees can instill confidence in customer even some times they do not have enough knowledge to answer customers’ questions.

This question asked the respondents if employees in the store give prompt service to them. From the graph above, we can see that almost the some amount of respondents chose Agree and Disagree. 27% of all the respondents (82 out of 300 respondents) chose the option Agree and 26% chose Disagree. There are exactly same number of respondents (33 respondents, 11%) chose Strongly Agree and Strongly Disagree. About a quarter of all the respondents (26%) have indifferent opinion according to this question.
In this case, we can assume that employees can give half of customers prompt service. The other half of customers may not get prompt service during busy hours or due to some other reasons.

The fourth sub-question was in purpose to find out if employees pay individual attention to customers. For the graph above, we can conclude that most of the respondents chose the options from Indifferent to Strongly Disagree. 36% (108 out of 300 respondents) disagree that they get individual attention form employees, and around 27% strongly disagree with it. 21% (62 out of 300 respondents) chose the option Agree. Still there are 27% of all the (80 respondents) respondents strongly agree that employees pay individual attention to them.

From this analysis, we can conclude that employees can not pay individual attention to most of customers.

The last sub-question in the fourth question group was conducted to indicate if employees in the store are consistently courteous with customers. The graph above shows that most of the respondents agree or strongly agree that employees in the store are consistently courteous with customers. 41% (123 out of 300 respondents) chose Agree, and around 28% (83 respondents) chose Strongly Agree. 17% have the Indifferent opinion and 10% (31 respondents) chose Disagree. Only around 4% of all
the respondents strongly disagree that employees are consistently courteous with customer.

In this case, we can conclude that customers have quite positive attitude toward this question. Most of customers think that employees treat them very politely all the time.

5. Problem-solving

In order to investigate the problem-solving solutions in the store, three sub-questions are presented in the fifth question group.

The first sub-question asked the respondents if the store willingly handles returns and exchanges. We can see the graph above, a huge percentage of all the respondents chose the options from Indifferent to Strongly Agree. 37% of all the respondents (110 out of 300 respondents) agree that the store willingly handles returns and exchanges. 26% chose Strongly Agree. The second biggest group (98 out of 300 respondents, 33%) has Indifferent opinion. Only around 3% (10 respondents) and 1% (4 respondents) disagree or strongly disagree.

From these numbers and percentages, we can say that the store has high level of willingness to handle returns and exchanges.
This sub-question aimed to investigate that if the store shows sincere interest in solving customers’ problems. The graph above shows that a majority of respondents (46%, 138 out of 300 respondents) agree that employees are interested in solving customers’ problems. 26% (77 out of 300 respondents) strongly agree. 18% of all the respondents have indifferent opinion toward this question. Only around 8% (25 respondents) and 2% (2 respondents) chose Disagree or Strongly Disagree, which indicates that the employees do not show interests in solving their problems.

From this graph, we can conclude that in majority of the cases, employees are interested in solving problems for customers. Most of the customers are satisfied with employees’ attitude of solving problems for customers.

This sub-question was in purpose to indicate if employees in the store are able to handle customer complaints directly and immediately. The graph shows that the most of the respondents (78 out of 300 respondents, 26%) agree that employees can handle complaints directly and immediately. Around 17% (56 respondents) strongly agree with it. The numbers of respondents (66 out of 300 respondents, 22%) who chose the options Indifferent and Disagree are exactly the same. Around 11% of the respondents strongly disagree that employees can handle customers’ complaints directly and immediately.

From the graph, we can assume that a little bit more customers have positive opinion toward this issue comparing with the customers with negative opinion. However, there are less than half of all the respondents obtain positive attitude with this issue. Still lots of customers can not get responses for their complaints fast enough.

6. The general store’s policy

The last question group is concerned to indicate the general police of the store, which consists of four sub-questions.
The first sub-question was designed to investigate if customers think the operating hours of the store is convenient for them. The most respondents chose the option Agree (100 out of 300 respondents, around 33%) and Indifferent (29%). About the same percentage of respondents strongly agree (14%) or disagree (13%) with this issue. 11% strongly disagree.

We can conclude that most of the customers satisfied with the operating hours of the store. But the operating hours still causes inconveniences for 24% of all the respondents.

This sub-question is about the acceptance of all major credit cards. From the graph above, we can see that almost all the respondents agree (208 out of 300 respondents, 69%) or strongly agree (28%) that the store accepts all major credit cards. Only less than 3% of respondents chose the other three options, Indifferent, worse then expected and better then expected.

We can conclude that this question gets the highest degree of satisfactions among all the questions in the questionnaire. It shows that customers can use all major credit cards in the store.
This sub-question asked respondents if they think the store offers high quality merchandise. Most respondents (89 out of 300 respondents, around 30%) have indifferent opinion about the quality of merchandise in the store. 26% agree and 11% strongly agree with the high quality of the merchandise. 22% and 11% of all the respondents thinks that the merchandise is not high quality or not high quality at all.

We can see that not 37% of all the respondents think the merchandise is high quality in the store. 30% of the respondents have an indifferent opinion about parking issue.

The last sub-question is concerned about the parking conveniences of the store. The biggest number of respondents chose Indifferent (33%), Disagree (29%) to Strongly Disagree (27%). Only 14% (Agree) and 7% (Strongly Agree) think that the store provides plenty of convenient parking for customers.

We can conclude that the store doesn’t provide enough convenient parking for customers.
In the following part, we aim to analyze different variables based on the three age groups of target customers. It’s important to understand customers’ preference according to ages, in order to give practical recommendations to this study.

### Figure 28: Preferences of restrooms & fitting rooms by ages

The above graph illustrates how customers evaluate restrooms and fitting rooms, divided by ages. The age group of 31-40 years old most disagree that restrooms and fitting rooms are clean, attractive and convenient. 45% of the people between the ages of 31-40 chose the option Disagree. The age groups of 18-30 and 41-56 years old have the similar opinion about the condition of restrooms and fitting rooms. 53% of the people between the ages 18-30 and 55% of the people between the ages 41-55 gave an average score Indifferent to the restrooms and fitting rooms.

### Figure 29: Perform the service right the first time, by age groups

The above graph shows if people think the store performs the service right the first time. From this question, we got a quite low average score in the previous analysis. 36% and 38% of the people between ages 18-30 disagrees or strongly disagreed that the store performs the service right the first time. 33% and 32% of the group 31-40 years old
chose the option Disagree and Strongly Disagree. Comparing with this two age groups, the people form 41-55 years old more agree that the store perform the service right the first time.

Performs the service right the first time could include greetings customers by enter the store, contacting customers for asking if they need help. Form the graph we can assume that most of the time sales persons don’t greeting customers by enter the store or asking if customers need help initiative. Comparing with the age groups, we can say that the age group 41-55 years old gets more greeting and attention than the age group 31-40, 18-30 years old.

![Figure 30: Employees have the knowledge to answer questions, by age groups](image)

This graph shows respondents from different ages groups evaluate if employees have the knowledge to answer their questions. 29% and 33% of the people in 41-55 years old strongly agree or agree that employees have the knowledge to answering their questions. In the age group 31-40 years old, 31% and 31% chose Strongly Agree or Agree. 35% of the people between 18-30 years old don't think employees have knowledge to answer their questions. It's is an interesting factor that, more young the customers are, less satisfied with the employees' capability to answer their questions.

![Figure 31: Prompt service in the store, by age groups](image)
This graph above shows respondents in different age groups think about the prompt service in the store. In the age group 18-30 years old, 37% of them agree that they get prompt service in the store. 38% of the people between ages 41-55 years old disagree that they can get prompt service in the store. From the graph we can see that the young customers (18-30 years old) are more satisfied with the speed of the service than the older customer (31-40, 31-55 years old). Customers from 41-55 years old have the least satisfaction with the speed of the service.

![Bar graph showing individual attention by age groups.](image)

**Figure 32: Individual attention, by age groups**

This graph shows how employees pay individual attention to customers in different age groups. 50% of the people between the age 41-55, 32% of the people between the age 31-44 and 26% of the age 18-30 years old disagree that employees give individual attention to them. Customers in the age of 31-40 years old are most satisfied in this case. The age group 41-55 years old is the least satisfied one.

![Bar graph showing handling complaints by age groups.](image)

**Figure 33: Handles complaints, by age groups**

This graph shows how respondents in different ages think how the store handles customer complaints. In the age group 18-30 years old, 34% of them agreed that the store handles customer complaints directly and immediately. 35% of the people between 41-55 years old disagreed with it. The same amount of people in the age groups 31-40 and 41-55 chose the option Agree. From the numbers, we can say that the elder customers are less satisfied with how the store handles complaints than the younger customer.
Figure 34: Offers high quality merchandise, by age groups

This graph shows how customers in different ages think about the quality of products in the store. In the age group 41-55 years old, 40% and 32% chose the option Indifferent or Agree. 33% of the people between 31-40 years old think that the store is not offering high quality products. We can see that the age group 31-40 years old is least satisfied with the quality of merchandises in the store. Customers from 41-55 are most satisfied with the quality of the merchandise.

Figure 35: Frequency of visiting stores, by age groups

This graph above illustrates how often respondents in different age groups visit the store. Most respondents (44%) in the ages of 18-30 years old visit the store once a week. 55% of the respondents in ages of 31-40 years old visit the store monthly. In the age group of 18-30 years old, most respondents visit the store twice a week comparing with the other two age groups.

According to this graph, we can see that customer from the age group 18-30 years old visit the store more often than customers of 31-40, 41-55 years old. Around 60% of customers in the ages of 18-30 visit the store once or twice a week.

The last comparison is about frequency of visiting the store for customers who holding a loyalty card. From the figure below we can see that most of the customers who have loyalty card go to the store once a week. Around 30% of customers with loyalty card visit the store twice a week. None of them chose the option - Occasionally. It indicates that customers who have the loyalty card of the store visit the store more often than customers who do not have the card.
Summarizing the descriptive statistics outcomes

It is interesting to see the general trend that different answers about every dimension were received from the respondents. This fact allows us to assume that the overall impression of the service quality is considered to be many-sided and the perception of the different dimensions is not consistent as well. It also means that customers are satisfied with one particular dimension and dissatisfied with another one.

In order to summarize and give the overall impression about service quality table 1 is created to overview on the average grade of each element. All grades are summed up and divided with the number of answers, which gave us an average. We assume that the average grade which is below 3 point is poor performance, above 4 point is good performance and above 4 point is very good performance. Author also assume that number 4 represents the expected level of service and it also represents answer “Agree” as one of the option in the questionnaire.

According to the average grade, we can find out what the strong points and what the poor performances in the retail store are. The analysis outcomes show us that the design of shopping bags, loyalty cards and catalogs; the convenience of layout for moving around the store; performs the service right the first time and the parking service are poor performance in the store.

Customers are not very satisfied with the design of the shopping bags, loyalty cards and catalogs. The layout of the store is not very convenient for customers to move around inside the store. The salespersons in the store almost don’t perform the service right the first time. Employees in the store usually don’t give individual attention to customers. For the parking service, most customers consider that they don’t get enough parking places from the store.

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Table 1: Average grade of perceived RSQS item in the questionnaire
In order to calculate the average perception scores for every dimension we run one-sample T-test. The set up test in the t-test is identified by value 4. The outcomes from the t-test are presented in table 4.

We used one sample t-test to analysis our data. One sample t-test is a statistical procedure that is used to test whether or not the mean of a single variable differs from a specified constant. In one sample t-test, the sample size should be less than 30 and random from the population. The dependent variables should be normally distributed. In our study, the sample size was more than 30. According to the central limit theorem, the mean of a sufficiently large number of independent random variables with limited mean and variance, will be approximately normally distributed (Rice 1995, p. 186).

We can assume that the data were approximately normally distributed. Base on our scales in the questionaire, respondents who are satisfied with the service can choose the option 4 and 5, which are expected and more than expected. So in our study the hypothesized test value is 4.

The null and alternative assumptions are:

Null Assumption $A_0$: $\mu \geq 4$
Alternative Assumption $A_0$: $\mu < 4$

In the table below, we can see that the perceptions of service quality attributes, for Stadium, are worse than expected in most cases. Most of the service scores have negative values. In the table, the red numbers are negative numbers. All the red numbers shows that the mean of the attribute is smaller than the test value 4, so the null hypothesis is rejected. The top four attribute qualities for Stadium are Q6.2, Q3.3, Q5.2, and Q1.3. For customers’ perceptions, the four worst four service quality attributes are Q2.2, Q3.2, Q4.4, and Q6.4.

The null hypothesis is rejected in most attributes and it means that customers of Stadium think that the service quality of that item is worse than expected. But in few items, the null hypothesis can not be rejected, which shows that customers’ satisfaction level is high in that item. The items are: Q6.2, Q3.3, Q5.2, and Q1.3.

<table>
<thead>
<tr>
<th>Attribute Description</th>
<th>t</th>
<th>df</th>
<th>Sig.(2-tailed)</th>
<th>Mean Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Modern-looking equipment and fixtures</td>
<td>-4.4709</td>
<td>300</td>
<td>0.000</td>
<td>0.27</td>
</tr>
<tr>
<td>Shopping bags, loyalty cards and catalogs are visually appealing</td>
<td>-25.361</td>
<td>300</td>
<td>0.000</td>
<td>1.31</td>
</tr>
<tr>
<td>Q1.3</td>
<td>Clean, attractive and convenient restrooms &amp; fitting room</td>
<td>-2.139</td>
<td>300</td>
<td>0.053</td>
</tr>
<tr>
<td>Q2.1</td>
<td>Store layout, easy for customers to find what they need</td>
<td>-4.178</td>
<td>300</td>
<td>0.000</td>
</tr>
<tr>
<td>Q2.2</td>
<td>Store layout, easy for customers to move around</td>
<td>-30.486</td>
<td>300</td>
<td>0.000</td>
</tr>
<tr>
<td>Q3.1</td>
<td>Do repairs or alterations as promises</td>
<td>-8.582</td>
<td>300</td>
<td>0.000</td>
</tr>
<tr>
<td>Q3.2</td>
<td>Performs the service right the first time</td>
<td>-29.124</td>
<td>300</td>
<td>0.000</td>
</tr>
<tr>
<td>Q3.3</td>
<td>Perform error-free purchase transactions with the cards</td>
<td>0.2351</td>
<td>300</td>
<td>0.124</td>
</tr>
<tr>
<td>Q3.4</td>
<td>Merchandise available when the customers want it</td>
<td>-8.955</td>
<td>300</td>
<td>0.000</td>
</tr>
<tr>
<td>Q4.1</td>
<td>Employees have the knowledge to answer customers’ questions</td>
<td>-9.542</td>
<td>300</td>
<td>0.000</td>
</tr>
<tr>
<td>Q4.2</td>
<td>The behavior of employees instills confidence in customers</td>
<td>-4.382</td>
<td>300</td>
<td>0.000</td>
</tr>
<tr>
<td>Q4.3</td>
<td>Employees give prompt service to customers</td>
<td>-21.563</td>
<td>300</td>
<td>0.000</td>
</tr>
<tr>
<td>Q4.4</td>
<td>Employees give to customers the individual attention</td>
<td>-29.785</td>
<td>300</td>
<td>0.000</td>
</tr>
<tr>
<td>Q4.5</td>
<td>Employees i are consistently courteous</td>
<td>-4.452</td>
<td>300</td>
<td>0.000</td>
</tr>
<tr>
<td>Q5.1</td>
<td>Willingly handles returns and exchanges</td>
<td>-4.981</td>
<td>300</td>
<td>0.000</td>
</tr>
<tr>
<td>Q5.2</td>
<td>Shows a sincere interest in solving customers’ problems</td>
<td>-2.567</td>
<td>300</td>
<td>0.025</td>
</tr>
<tr>
<td>Q5.3</td>
<td>Handle customer complaints directly and immediately</td>
<td>-15.234</td>
<td>300</td>
<td>0.000</td>
</tr>
<tr>
<td>Q6.1</td>
<td>Operating hours convenient to all their customers</td>
<td>-15.685</td>
<td>300</td>
<td>0.000</td>
</tr>
<tr>
<td>Q6.2</td>
<td>Accepts all major credit cards</td>
<td>4.132</td>
<td>300</td>
<td>0.447</td>
</tr>
<tr>
<td>Q6.3</td>
<td>Offers high quality merchandise</td>
<td>18.100</td>
<td>300</td>
<td>0.000</td>
</tr>
<tr>
<td>Q6.4</td>
<td>Plenty of convenient parking for customers</td>
<td>-26.821</td>
<td>300</td>
<td>0.000</td>
</tr>
</tbody>
</table>

Test value = 4

Table 2: One Sample t-Test
4.4 Difference in perception of retail service quality

In this session authors investigated the differences in how customers perceived service quality according to each dimension of RSQS.

A widely used method to measure service quality is a gap analysis model. Based on the measurement scale for service quality proposed through answers in the questionnaire we further analyzed the differences in perceived quality between stores’ customers. Here respondents were asked to separately evaluate each service dimension and sub-dimension according to the gap between their perceptions and expectation score using a five-point Likert scale where 4 equal to expected and numbers 1, 2, 3 mean less than expected and 5 more than expected.

All the dimensions were measured using the 5-point Likert scale thus the higher numbers indicate higher level of perception and therefore satisfaction. Consumer’s perceived level of service is measured by the perception scores.

Thus, in order to perform a relevant gap analysis we compare the score results from all dimensions with the expected level of service as number 4. The expected level allows us to provide to reader significant conclusions about every dimension and overall service quality and furthermore about customer satisfaction or dissatisfaction.

This resulted in a negative gap score which can be possibly calculated as Perception – Expectation. According to Parasuraman et al. (1988, p. 30) it is however common for consumer’s expectation to exceed the actual service perceived and this refer to the fact that there is always room for improvement in performing the service. In our case all the negative values mean that customers are not satisfied with the service being offered.

The statistical results of the differences in perception in regards to expectation score and the gap score between them are presented in table 5. The table shows the dimensional means of customers’ perception which received from 300 respondents. In the table 3 P* means perceived level of service quality and E* - expected level of service quality.

<table>
<thead>
<tr>
<th>Dimension</th>
<th>Mean</th>
<th>N</th>
<th>Standard Deviation</th>
<th>Standard Error Mean</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>P*</td>
<td>E*</td>
<td>Difference</td>
<td>P*</td>
</tr>
<tr>
<td>Physical Aspects</td>
<td>3.26</td>
<td>4</td>
<td>-0.74</td>
<td>0.667</td>
</tr>
<tr>
<td>Reliability</td>
<td>3.57</td>
<td>4</td>
<td>-0.43</td>
<td>0.604</td>
</tr>
<tr>
<td>Personal Interactions</td>
<td>3.26</td>
<td>4</td>
<td>-0.74</td>
<td>0.632</td>
</tr>
<tr>
<td>Problem-solving</td>
<td>3.63</td>
<td>4</td>
<td>-0.37</td>
<td>0.641</td>
</tr>
<tr>
<td>General Policy</td>
<td>3.25</td>
<td>4</td>
<td>-0.75</td>
<td>0.639</td>
</tr>
</tbody>
</table>

Table 3: Perceptions scores for each RSQS dimension
As we see from the statistical results presented above the problem-solving dimension is the most important issue from the respondents’ point of view. We can see this dimension received the perceived score as 3.63. Taking about customer satisfaction we can conclude that customers are the most satisfied with the problem-solving actions.

The second ranked dimension in importance to the clients is reliability. The perceived score of the reliability dimension is equal 3.57. According to the score scale defined in the survey, it means that customers of the retail stores are satisfied with the reliability however there is need for the improvement.

Problem-solving and reliability are respectively perceived from the client as evidenced by the means of perceptions at 3.63 for problem-solving and at 3.57 for reliability. While problem-solving and reliability are strongly perceived, the physical aspects and personal interactions are less perceived dimensions supported by the means scores of perceptions as 3.26 and 3.26 respectively. The mean scores of both, physical aspects and personal interactions, are describes as quite perceive, regarding to the average score level in table 4.

And the last dimension as general policy is perceived on the middle level between other dimensions. The perceived score for general policy is indicated by number 3.25. These statistical results give us a possibility to indicate general policy of the store between reliability and personal interaction. This means that customers perceive better performance of the general policy of the store then personal interaction and physical aspects and give more important significance to problem-solving and reliability issues.

Generally speaking, all perceived scores are not very different from each other and this implies that in total consumers perceive the service quality performance from retail stores in a consistent way.

4.5 Factor analysis for the difference between perceptions (Gap score analysis)

The gap analysis is to enable us find out how consumers perceive service quality in retail stores and try to identify what dimensions of service quality they are satisfied or not satisfied with.

According to Dabholkar et al. (1996) the higher (more positive) the perception minus expectation score, the higher the perceived service quality and thus such a high score prove a higher level of customer satisfaction. In this regard, the gap scores were calculated based on the difference between the consumers’ perceptions and expectation score as number 4 (see table 6).

In general it was found that customers’ perceptions of service quality offered by retail stores did not meet the expectation level. The evidence for this statement is that all gaps scores of RSQS dimensions are negative.
These values show that the perception of the service’s performance in sport outlets is not matched to the expected level of service quality. The descriptive statistical outcomes of the gap analysis are presented in table 6.

It can be additionally noticeable from the statistical outcomes that standard deviation scores are fairly consistent for all five dimensions of RSQS. The reason for this can be a wide range of opinions on service quality issues among the respondents’ answers.

![Descriptive statistics for the five RSQS dimensions](image)

Table 4: Descriptive statistics for the five RSQS dimensions

<table>
<thead>
<tr>
<th></th>
<th>Average gap score for Physical Aspects</th>
<th>Average gap score for Reliability</th>
<th>Average gap score for Personal Interaction</th>
<th>Average gap score for Problem – Solving</th>
<th>Average gap score for General Policy</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mean</td>
<td>-0.74</td>
<td>-0.43</td>
<td>-0.74</td>
<td>-0.37</td>
<td>-0.75</td>
</tr>
<tr>
<td>Median</td>
<td>-0.50</td>
<td>-0.35</td>
<td>-0.55</td>
<td>-0.60</td>
<td>-0.50</td>
</tr>
<tr>
<td>Mode</td>
<td>-0.25</td>
<td>-0.20</td>
<td>-0.25</td>
<td>-0.50</td>
<td>-0.60</td>
</tr>
<tr>
<td>Std. Deviation</td>
<td>0.667</td>
<td>0.604</td>
<td>0.632</td>
<td>0.641</td>
<td>0.639</td>
</tr>
<tr>
<td>Skewness</td>
<td>-0.149</td>
<td>-0.130</td>
<td>-0.134</td>
<td>-0.139</td>
<td>-0.129</td>
</tr>
<tr>
<td>Std. Error of Skewness</td>
<td>0.197</td>
<td>0.197</td>
<td>0.197</td>
<td>0.197</td>
<td>0.197</td>
</tr>
</tbody>
</table>

4.5.1 Description of dimensions according to gap analysis results

The gap scores are the difference between the perceptions and expectation score with a range of values from -5 to +5 because of using 5 as maximum or minimum option from the Likert scale applied in the survey. These gap scores measure service quality according to every RSQS dimension and therefore customer satisfaction or dissatisfaction. The more perceptions are close to expectation score as 4, the higher the perceived level of quality.

The smallest gaps scores were problem-solving (-0.37) then reliability issue (-0.43), personal interaction (-0.74), physical aspects (-0.74) and the largest score gap is for the general policy (-0.75).

Physical aspects

Physical aspects have an average score of -0.74 and the median gap is -0.5. The model score is -0.25. The standard deviation is 0.667 indicating the spread of gaps away from the mean. The distribution is positively skewed with a skewness of -0.149 which indicates that the figures are deviated more to the right.
To conclude, negative gap score means that customers are not completely satisfied with physical aspects in the stores. However the level of dissatisfaction is not high because the mean is between 0 and 1 and not exceed 1.

**Reliability**

The mean is – 0.43 which means that consumers are not satisfied with the quality of services as illustrated by the reliability dimension. The standard deviation is 0.604 which means that the gaps are spread away from the mean. The modal gap is however different from the mean and it is -0.20 and the median gap is -0.65. The distribution is positively skewed with a value of -0.130 indicating the gaps are deviated to the right of the mean and the gaps are clustered away from the mean.

To conclude, negative gap score means that customers are not completely satisfied with reliability aspects of the sport outlet. The level of dissatisfaction concerning the reliability issue is the second lowest in the perception of the customers however its still not exceed 1.

**Personal Interactions**

Averagely customers are dissatisfied with the level of personal interaction in the store offered by retail sport outlets in Helsinki as a score gap of – 0.74 for this dimension. However as gap score is not exceeded 1 we can assume that the level of dissatisfaction is not high.

The median and the mode are higher than the mean with gaps of -0.75 and -0.55 respectively. The standard deviation of the personal interaction dimension is 0.632 which indicates that the gaps are not very widely deviated from the mean. The deviation is to the right with a skewness value of -0.134.

**Problem-solving**

The average gap for this dimension is -0.37 depicting dissatisfaction. The modal gap for this dimension is -0.50. The median gap is -0.60. The standard deviation is 0.641 showing some deviation from the mean which is spread towards the right as the distribution is positively skewed with a value of -0.139.

In general, customers are dissatisfied with the problem-solving issues as well. The score gap from this dimension is the lowest one from all 5 dimensions and it still didn’t exceeded 1.

**General store’s policy**

The average score gap for the general store’ policy dimension is -0.75. The median gap for this distribution is -0.50 and the modal gap is -0.60. It has a standard deviation of 0.639 which means that the gaps are deviated from the mean. They are deviated to the right because the distribution is positively skewed with a smallest value from all dimension of -0.129.
Generally, customers are also dissatisfied with the general policy performance in the store. Moreover the score gap value is the largest one for this dimension compare with four other scores and this means that customers are the most dissatisfied with general policy of the store.

4.5.2 Overall service quality

This sub-chapter provides the results according to our research question. This section lead the reader to answer the question about overall perceived service quality based on the average results from all five dimensions of RSQS which were explained in previous session.

Descriptive statistics results about overall service quality is presented in table 5. To obtain the results, the data was processed using descriptive statistics in SPSS and the furthermore the average mean from the all five RSQS dimensions was calculated. A description of the SPSS results about OSQ is also provided below.

<table>
<thead>
<tr>
<th></th>
<th>N</th>
<th>Minimum</th>
<th>Maximum</th>
<th>Mean</th>
<th>Std. Deviation</th>
<th>Skewness Statistics/Std. Error</th>
</tr>
</thead>
<tbody>
<tr>
<td>OSQ – Overall Service quality</td>
<td>300</td>
<td>5</td>
<td>5</td>
<td>3.40</td>
<td>0.601</td>
<td>- 0.136 / 0.197</td>
</tr>
<tr>
<td>Valid N (listwise)</td>
<td>300</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Table 5: Descriptive statistics for overall service quality (OSQ)

Table 7 shows that in general all customers perceived service quality in retail sport outlets in Helsinki less than expected. This is evident from the average mean as 3.40 showing that the total perception of retail store.

The standard deviation is indicated as 0.601 and here the deviation is lower compare with individual dimensions showing that there are some common preferences among the population. The deviation of the gaps is more to the right because the distribution is positively skewed with a value of -0.136 and the gaps are clustered at some point away from the mean.

The standard deviations of the individual dimensions are varying around a common average value what is making them fairly consistent around five RSQS dimensions and this means a range of opinions on the service quality among the customers being surveyed.
Summarily, according to the score value as 3.40 which is less than value 4 than we can consider that customers of retail stores are quite dissatisfied with the overall perceived service quality.

Based on the average score calculated from all 5 dimensions the value of the perception score is not equal or exceeded expected level which refer to the fact that service quality should be improved in the future. Statistical average results presented in table 7 indicate that the level of service customers receive is lower than maximum possible so there is dissatisfaction on the general level as well. The biggest gap in the customers’ dissatisfaction arises because of not sufficient enough performance of three dimensions as general policy, personal interaction and physical aspects.

4.6 Discussion

In this chapter we discuss and conclude about our research outcomes presented in previous sessions and in the end give our own thoughts, draw parallels between findings and theory and connect empirical part to our research question and purpose of the study. It is intended to be an arena where discussion and conclusions are in focus, and where understanding the big picture of our research is analyzed.

In our study we tried to explore and evaluate the customer satisfaction level of the Stadium sport outlets in Helsinki. According to Reichheld and Sasser (1990) the service quality is being increasingly perceived as an important element to ensure consumer satisfaction, retention and patronage. That’s why it’s important to deliver high service to reach a higher customer satisfaction. Referring to Finn and Lamb (1991) satisfying customers through high quality service will bring the benefits of retain customers and increase companies’ market share.

As mentioned in theoretical background the customer satisfaction is acquired through service quality. To measure the service quality we applied RSQS model. We find that the respondents’ overall perception on a scale from 1 to 5 is 3.4 (average from all five dimensions). According to the RSQS model (Dabholkar et al., 1996), it indicates that customers are not completely satisfied with service quality in retail stores since the average perception score is below expected level and since satisfaction in services is highly related to quality. The number 4 as expected level is lower than 3.4 and it means that customers in general are not enough satisfied with the retail service quality in sport outlets. However as shows the analysis the level of dissatisfaction is not high and there are several issues in the performance of retail service quality with which customers are really satisfied with. Parasuraman et al. (1985) also suggested that when perceived service quality is high, then it will lead to increase in customer satisfaction. He supports the fact that service quality leads to customer satisfaction.

In addition we examined the difference in customers’ perceptions of the dimensions of service quality in retail stores. Moreover we investigated the gap in perceived retail service quality compare with expectation score in general and according to each dimension.
As it was mentioned in the theory by Sandstrom, Edvardson et al. (2008, p. 112) the customers experience in the store is linked to customers’ value perceptions of the company’s service offerings. Supporting this arguments service quality is defined as customers’ perception of how well a service meets or exceeds their expectation level (Czepiel, 1990, p. 13-21; Zeithaml and Bitner, 1996).

The gap between expectation level and perceptions is the major determining factor in a customer's assessment of service quality. Because one of the most important customer service skills that companies should develop is the ability to understand and effectively respond to the customer's needs and concerns. Based on assumptions of Zeithaml (1987) perceived quality is resulting from a comparison of expectations with perceptions of performance. The expectations of the customers are built by perceived service quality in a retail store. The construct of quality in the services literature focuses on perceived quality, which is defined as a consumer's judgment about an entity’s overall excellence or superiority (Zeithaml, 1987).

The qualified items were used to calculate the score for each construct in the adjusted model by averaging the scores of items included in each construct. Correlation coefficients between the dependent variable and independent variables range from 0.70 to 0.89 which indicate significant linear associations between them and prove reliability and validity of the performed analysis.

The findings obtained from the validity and reliability tests indicated that all the five dimensions as physical aspects, reliability, personal interaction, problem-solving and policy are highly suited for measuring retail service quality, particularly in clothing stores, thereby supporting Dabholkar et al (1996) claim that their instrument namely RSQS is appropriate for studying retail businesses and can accurately assess service quality in a retail environment to evaluate retail service quality.

To conclude about overall service quality we believe that the understanding of the dimensionality of service quality is critical not only for measurement purposes but also for providing greater insights into customers' perceptions and shopping behavior. Thus in order to answer on the research question about overall service quality we will firstly measure customer satisfaction in regards to each dimension and than make a final conclusion about overall service quality as a combination of five dimensions. Based on the literature review all necessary dimensions of retail environment should be evaluated and analyzed in order to become aware of the overall performance of the retail service quality in a store and conclude some issues for its improvement.

1. **How customers perceive the physical aspects of the store?**

According to Berry (2004) physical aspects of retailer include equipment and fixtures, physical facilities, materials associated with store’s service, convenience of physical facilities and layouts. In addition to the appearance of the facilities, it also takes into account the convenience offered the customer by the layout of physical facilities.

In our research physical aspects of the store are divided into 2 sub-dimensions as physical look of the store and convenience of service.
Evaluating the physical look of the store we can conclude from the presented results that customers mostly satisfied with modern-looking equipment, textures, clean restrooms and fitting rooms however they are dissatisfied with visually appealing things as shopping bags, loyalty cards and catalogs.

Evaluating the service convenience of the store, we can conclude that in average customers are satisfied with different convenience attributes in the store as store layout for them to easy find products they need. Physical facilities are clean, tidy, modern-looking and attractive complete with a convenient store layout that enables the customers to find what they need and to move around with ease.

By looking and the perception of different age group we can conclude that there is not so big different in perception of physical aspects of the store however customers in age from 31 to 40 have much less indifferent opinions about this issue.

To conclude, the chosen clothing specialty stores in this study are renowned retailers whose consistent service and quality image have propelled them towards the success they are today. Of course there are always ways for the improvements and retailers should set certain standards in service quality that other clothing retailers can look up to or learn from their experience in creating the physical look of the store.

2. **How customers perceive the reliability of the store?**

According to Mehrabian (1976) and Zeithaml (1988) reliability of retailers includes keeping promises to do and deliver something, providing right service in the right time, available merchandise and error-free sales transactions and records.

In our research reliability dimension is also divided into 2 sub-dimensions as promises & doing-it-right.

What we can conclude from the empirical results is that in average customers have indifferent opinions about doing repairs or alterations by a certain time as promised. However we can obviously see that in mostly cases customers are really dissatisfied with the performing service in the right time. Then, stores have free-error purchases transitions with the cards. Perception about available of merchandise is quite spread over. In mostly cases customers have perceived on the expected level of merchandise.

Talking about different in perception of reliability among different age group we can conclude that customers from age 41 to 50 perceive the reliability issue more positive than younger ones.

In general, services are delivered reliably by fulfilling all promises made to customers, without mistakes with the cards transitions and having the merchandise available when the customers want it but not doing things right the first time.

3. **How customers perceive the personal interactions in the store?**

According to Mehrabian (1976) and Zeithaml (1988) the personal interaction of retailers includes employee’s knowledge to answer questions, inspiring confidence, providing
prompt service, willing to respond to customer’s requests, giving customers individual attention, showing consistent courteously with customers and even treat customers properly on the phone.

In our research personal interaction dimension is also divided into 2 sub-dimensions as inspiring in combination with confidence and courteousness in combination with helpfulness.

From the empirical results we can conclude that customers are dissatisfied with the issue about employees always having knowledge to answer on the question. But they consider the behavior of employees to be confident.

Speaking about courteousness and helpfulness in this case customers have really dissimilar opinions about this issue and employees are able to provide a prompt service not to all customers. Some of the customers may not get prompt service during busy hours or due to some other reasons.

Almost all respondents feel that they don’t get enough of individual attention from the employees and express their real dissatisfaction with this issue. However customers consider that when employees are actually serving them then the employees are consistently courteous and this fact lead to the customer satisfaction.

Speaking about difference in perception the personal interaction between among different age group there is one interesting tendency to mention that customers in age from 41 to 55 think that employees provide prompt service in the store when other age groups are dissatisfied with this statement.

By referring to Sivadas and Backer-Prewitt (2000) the excellent service quality can be reach by high employee’s performance in the store because the service-oriented employees are able to deliver high retail service quality to the customers and let them occurrence favorable service experiences.

To conclude, in general employees (salespeople) of the retail stores are trying to satisfy customers and their needs (based on the theory from Bettencourt and Gwinner (1995) by being courteous and helpful, having the ability to instill confidence in the customers at all times during their personal interaction with them. However employees don’t always have knowledgeable to answer on consumers questions with and don’t pay enough individual attention to the consumers.

4. How customers perceive the problem-solving attitude of the store?

According to Mehrabian (1976) and Zeithaml (1988) problem-solving dimension includes handling of returns and exchanges, ability to decide customer’ problems and work with customer complaints straight away.

What we can conclude from the empirical results is that in general customers are satisfied about how store handle customers’ returns and exchanges and how employees are able to solve the problems which customers might have. Referring to the question
about handling complains there almost all customers communicate their dissatisfaction with this particular issue.

Talking about difference in perception among different age groups we see the difference in perception about handling complaints between customers from 41 to 55 as they look at the question with the complains is more positively than others.

To conclude, stores can not handle complaints but can solve the problems faced by the customers immediately and work with returns and exchange sincerely and professionally. The fact of working effectually with exchanges and returns can be explained by rights customers obtain by buying a product in retail store in Scandinavia where companies have to pay attention to the returns and exchanges by law.

Management of the Stadium stores have to include the employees in the attempts to improve quality and take responsibility to incorporate the personnel with the most interactions with the customer in regards to handling customers complains and ability to decide customers’ problem when it is necessary.

Speaking in addition, Nguyen (2006) who based his studies on Vietnamese market combined items related to personnel such as personal interaction and problem-solving issues into only one component. In our studies those two issues are measured differently.

5. How customers perceive the general policy of the store?

According to Edvardsson and Enquist (2002) the dimension of general policy as high quality merchandise, convenience of parking and operating hours as well as accepting major credit cards. There are can be additional aspects measured such as specific norms and values of a company (for example code of conduct etc.)

In this research paper we measure the customer satisfaction in regards to 4 attributes of general policy provided by the store such as operating hours, accepting major credit cards, quality of merchandise and convenient parking possibility.

According to our empirical studies in general customers have indifferent or positive opinion about working hours of store. Furthermore almost all customers are satisfied with the procedure of accepting almost all credit cards. Such mentioned issues can be explained by fact that Finnish baking system is developed enough to proceed with all the financial services in the store smoothly and diversely.

There are still two factors which mostly customers are dissatisfied with. The first one is convenience parking and the second is proving the high quality of merchandise.

According to Kotler (1973) the store environment is an important part of the shopping experience. That’s why the environment is offered by a store can influence consumers’ decision to visit the store. Thus, despite being goods retailers in their very essence, Stadium as clothing retailers still need to facilitate their sale of merchandise. The poor quality of merchandise can be possibly explained through insufficient performance of the personnel who are responsible in assisting the customers in their shopping. There are
not always adequate salespeople around in the store who have been thoroughly trained and are professional enough in their dealings with customers.

Analyzing the different in perception the general policy among different age group we can conclude the customers in age from 41 to 55 years old have more unresponsive opinion about quality of merchandise than younger customers.

To conclude, the general store policy is responsive to customer needs when it comes to having convenient operating hours and working with all credit cards however customers are not satisfied with issues as trading high quality merchandise and providing convenient parking spaces.

Looking at the analysis results from individual dimensions authors can assume that customers would like to experience the best service quality performance from problem-solving and reliability dimensions. That’s why retail stores have to pay a lot of attention to the problem-solving and reliability issues in the store. The evaluation of each dimension proves that dimensions are significant to consider when measuring overall service quality of the retail store.

In summary from discussion about all dimensions and from analysis results it is seen that consumers perceive service quality as poor in all dimensions meaning their perceptions are lower than expected level and what makes their experience in retail stores less enjoyable. In this regard, consumers are not satisfied with any dimension of service quality. All the dimensions show a gap between expected score and perceived service and this therefore means that retail stores need to make improvements in all dimensions in order to close gaps that could lead to increasing customer satisfaction.

According to Yesmine at al (2003) all the dimensions of service quality scale play a role in stimulating repeated store patronage and the spread of good word-of-mouth. Retail service quality is also highly associated with future consumption behavior in terms of the customers’ intention to visit, purchase and recommend the store to family and friends. These are all important issues to consider when measuring how customers experience quality because these issues can influence on the “perceived service quality” in the future by external factors such as “word of mouth”, “personal needs” and “past experience”.

That’s why researchers and managers thrive for learning details about components of service quality (Nitin Seth and S.G. Deshmukh, 2004, p. 914) and prove the importance of service quality and its dimensions in determining overall service quality, as perceived by customers. By addressing this issue, firms can gain an understanding of the areas they should concentrate on when seeking to improve their overall service quality provisions (Oliva, Oliver and MacMillan, 1992).

By using RSQS model retailers can identify the areas that are weak and need attention. Service quality analysis can be evaluated at the overall level from the average results and at the factor level referring to every item within given sub-dimensions. By analyzing data at these different levels, managers of retail services can evaluate the overall quality and dimension quality for identifying problem areas within their stores to concentrate resources on particular aspects of retail service quality.
Strengths and weaknesses can be identified from the measuring results of service quality which will show where to put the most effort regarding improvements, but also to see where quality is good enough already and prevent it from decreasing. As mentioned before, quality improvements have to be made continuously in order to meet the most important factor, possible new customers and changing preferences.

To conclude, this study finds that RSQS model fit for measuring retail service quality in the context of retail service quality. Data has been collected from the several retail stores from the same chain so the research could be generalized for all related services.
Chapter 5: Conclusions

In this chapter, we briefly summarize our findings from the empirical analysis and discussion chapter. Additionally to finally fulfill the sub-purpose of our research this chapter provides practical recommendations for the retail managers and also covers the limitation of the study and suggestions for further research.

5.1 Summary of findings

From the analysis carried out in order to answer our research questions and hence fulfill the purpose of our study which includes theoretically trying to find out if the RSQS model is used to measure of service quality in sport stores and empirically finding out how consumers perceive service quality in sport stores by identifying the level of overall customers’ satisfaction and according to every separate dimension.

The practical contribution of our study is to measure retail service quality on sport stores’ environment on Scandinavian market by applying and in the end testing the RSQS model.

Firstly, the data from the survey was collected using the RSQS model which is shown in the analysis. By finding out the reliability and validly results of the RSQS scale we can make a conclusion that model is valid for our study and consequently for the retail sport environment. This means the RSQS’s validity and reliability issues which are found in our study via factor and correlation analysis are aligned with the original study carried out by Parasuraman et al. (1988). Thus, from the quality criteria findings, it is clear that the RSQS model is a good instrument to measure retail service quality in sport stores.

Also, we can conclude from the analysis that the RSQS model shows an overall perceived level of retail service quality in the stores is equal 3.4 that is less than expected level represented by number 4. This means that customers are not fully satisfied with the retail service quality provided in the Stadium sport outlets.

From the gap score analysis carried out, it was found that, the overall service quality is low as perceived by consumers in sport stores and hence no customer satisfaction. Consumers receive less than expected experience from the sport stores even though the difference is not wide.

To answer our research questions which are: how consumers perceive service quality and are consumers satisfied with service offered by sport stores, the gap scores analysis carried out provided answers to these questions. The overall perceived service quality is low as expected level meaning that consumers would desire more than what was offered to them. As a result of this gap, it is clear that consumers are not totally satisfied with the retail service quality in the Stadium stores. Evaluating the consumers’ perceptions comparing with the expected level, it can be seen that no dimension of service quality brings customer satisfaction.
Evidence from the study show that, sport stores have to improve performance on all the dimensions of service quality in order to increase customer satisfaction since consumers are not satisfied with what is been offered by these stores. This will enable them maintain high level of competitiveness.

We can conclude from the discussion part that consumers in general are not satisfied with retail service quality in Stadium stores. Consumer’s perception of service quality is identified as less than average for all five dimensions comparing with the expected level of delivering the service, which means that their perceptions are lower than expected level and what makes their experience in retail stores less enjoyable. Therefore, the retail stores need to make improvements in all dimensions in order to close gaps that could lead to increasing customer satisfaction.

5.2 Practical recommendations to retail managers

According to the analysis part, we would like to give some recommendations to the managers of the sport store Stadium in order to improve the service quality. The customers between the ages of 31-40 are least satisfied with the restrooms and fitting rooms. We would recommend the store pay more attention to the customer in the middle ages when they design and organize the restrooms and fitting rooms. Customers from 31-40 years old expect better quality products than other two age groups.

We recommend the sales persons should pay equal attention to all the customers, no matter they are elder or young customers. They should perform the service right the first time, such as greeting the customers by entering or leaving the store, and ask customers initiative if they need help.

Younger customers are less satisfied with the employees’ knowledge than elder customers. Employees should be trained to know more about young customers’ interests and how to communicate with young customers.

More elder customers think they don't get prompt services from the store. The elder customers have higher requirements for the speed of the service. Employees should pay more individual attention to customers of 41-55 years old. For example, they can ask what the elder customers need, and help them to find out where the products are. Employees need to pay more attention when handle elder customers’ complaints.

The store can aim to promote more royalty cards to customers. When the customer pays from the cashier’s, the sales person can explain the benefit of the royalty card to the customer quickly. After the customer holding a royalty card which provides bonus back, it can encourage customers to visit the store more often and purchase more. The most royalty customers are from the age group 18-30 years old in the three target customer groups. For promoting the royalty card, the store should mainly emphasis on the customer in ages of 18-30 years old.
5.3 Limitations of the research

There are some limitations associated with this study that need to be discussed. Firstly, the results obtained from this study cannot be completely generalized to all retail stores because this is a single case study about a few sport stores. We took Stadium Oy of Finland as our case company. The service quality has many aspects in the retail sport store, such as promotion police, music in the store and sales persons’ uniform. We used limited 21 items to measure the service quality. Considering if the questionnaire is too long, people may not will to answer it outside of the stores patiently. Moreover, we conducted our research by the quantitative method. The questionnaire was designed by scale questions and we can not provide detailed explanation about why customers are not satisfied with a certain item. So we could not give enough practical suggestions to managers in order to improve the service quality.

However, the above limitations are less significant compared to the importance of carrying out this type of study. Such a study should be carried out frequently in order to monitor retail service quality and find out satisfaction levels of customers and hence make necessary adjustments in case of any weaknesses or strengths.

5.4 Suggestions for further research

Further research should be carried out in order to get more detailed information for the concepts of service quality and customer satisfaction. A qualitative research can be conducted together with the quantitative research, for better understanding why customers do not satisfied with the service and how to improve it. It is very important for service organizations to get competitive advantages among competitor companies. This study can be carried out in more kinds of clothing stores in order to get more general results.

5.5 Quality criteria

When a quantitative study is performed the reliability and validity is very crucial for making the results trustworthy and to function as a base for further research and similar studies.

Reliability is a component that is used to measure how reliable a research study is and if it can be used later on in a different context. It is supposed to show whether or not the study is consistent and stable over time without any major changes and fluctuations. By a reliable and small amount of random variation the authors can prove that if the study is performed over and over again the same results would still be achieved (Bryman & Bell, 2007, p. 22-29).

The researchers have to make sure that the data itself and the data collection are not influenced by themselves or others in any manner. By guaranteeing non-influence, in
relation to making sure that the questions are really measuring what they are intended to measure, it can be argued that the survey has high validity (Bryman & Bell, 2007, p. 22-29). To accomplish this it is crucial to choose parameters that fit the variables and the intention of using them in the study.

A statistically reliable and valid scale of a construct can be applied by different researchers in different studies. Without assessing reliability and validity of scale, analysis can possibly lead to incorrect inferences and misleading conclusions (Das et al, 2008, p. 14).

The validity of a research refers to how relevant the research activities are in achieving the goal of the research and reliability is concerned with the consistency of results (Bryman and Bell, 2007 p.162-164). The measure of validity and reliability in cross sectional design is viewed externally and internally as well by Bryman & Bell, (2007, p.58) as summarized below.

The measure of reliability and measurement validity are concerns on the quality of the measures that are employed to tap the concepts in which the researcher is interested. In our study, both validity and reliability are tested.

5.5.1 Reliability test

The first part of the data analysis was to check the internal reliability of results in order to determine the credibility of findings results from the study since we are dealing with multiple-item measure that is the RSQS scale made up of five dimensions measuring the retail service quality. In other words reliability checks whether or not respondents’ scores on any one indicator tend to be related to their scores on the other indicators (Bryman & Bell, 2007, p.163).

Reliability is concerned with the dependability, stability, predictability, consistency and accuracy, and relates to the extent to which any measuring procedure yields the same results on repeated trials (Kerlinger, 1986, p. 64). This research used the internal consistency method for reliability estimation. Cronbach’s alpha computes internal consistency reliability among a group of items combined to form a single scale.

Checking the reliability of the presented RSQS model made up of five dimensions, Cronbach’s alpha is computed for each dimension of the RSQS scale. The Cronbach’s alpha ranges between 0 (denoting no internal reliability) and 1 (denoting perfect internal reliability).

Table 6 summarizes the Cronbach’s alpha for overall and individual RSQS dimensions. The results indicate that in total the RSQS is a reliable instrument, returning an overall Cronbach’s alpha of 0.79. All underlying dimensions/sub-dimensions are reliable except the general policy dimension (alpha = 0.69). Personal interaction dimension the lowest from the other dimensions (alpha = 0.77). The high construct reliabilities suggest that
the service quality analysis could be appropriately conducted at the dimension or sub-dimension level.

<table>
<thead>
<tr>
<th>Dimensions</th>
<th>No. of Items</th>
<th>Construct reliability (Cronbach’s alpha)</th>
<th>Sub-Dimensions</th>
<th>No. of Items</th>
<th>Construct reliability (Cronbach’s alpha)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Overall Scale</td>
<td>21</td>
<td>0.79</td>
<td>1.1 Appearance</td>
<td>3</td>
<td>0.83</td>
</tr>
<tr>
<td>1. Physical Aspects</td>
<td>5</td>
<td>0.86</td>
<td>1.2 Convenience</td>
<td>2</td>
<td>0.89</td>
</tr>
<tr>
<td>2. Reliability</td>
<td>4</td>
<td>0.81</td>
<td>2.1 Promises</td>
<td>1</td>
<td>0.86</td>
</tr>
<tr>
<td>3. Personal interaction</td>
<td>5</td>
<td>0.77</td>
<td>3.1 Inspiring Confidence</td>
<td>2</td>
<td>0.76</td>
</tr>
<tr>
<td>4. Problem Solving</td>
<td>3</td>
<td>0.80</td>
<td>4 Problem Solving</td>
<td>3</td>
<td>0.80</td>
</tr>
<tr>
<td>5. General Policy</td>
<td>4</td>
<td>0.69</td>
<td>5. General Policy</td>
<td>4</td>
<td>0.69</td>
</tr>
</tbody>
</table>

Table 6: Construct reliability results of the RSQS

5.5.2 Validity test

Validity is concerned with how well the concept is defined by the measure(s), whereas reliability relates to the consistency of the measure(s).

The content validity was tested through factor analysis and it was proven that the RSQS model is a valid measure of retail service quality in sport stores because the items under most of the dimensions did group under same factors.

Factor analysis helps analyze the interrelationships among a large number of variables and explains these variables in terms of their common underlying dimensions (constructs).

For this study, the content validity of the proposed instrument is adequate enough because the instrument has been carefully constructed, validated and refined by Dabholkar et al. (1996), supported by an extensive literature review.

The cumulative results of the factor analysis for all 5 dimensions are presented in table 7.
Table 7: Results of factor analysis of the RSQS and its dimensions

Additionally the convergent validity of the RSQS scale tested from the items correlation. The correlations of the items are low for the constructs other than their related construct. This factor confirms the validity of the RSQS. Correlation is significant at the 0.01 level. In this study, convergent validity was determined using correlations between the overall scale, the individual dimensions and the three dependent variables as frequency visiting the store, holding a loyalty card and age. The results presented in Table 8 shows that the entire scale is highly correlated with the three mentioned dependent variables. It is found that all the dimensions are not perfectly correlated as their correlation coefficients fall between 0 and 1, hence establishing the discriminate validity of the RSQS.

<table>
<thead>
<tr>
<th>RSQS dimension</th>
<th>Item number</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Physical Aspects</td>
<td></td>
<td>0.89</td>
<td>0.89</td>
<td>0.79</td>
<td>0.78</td>
<td>0.67</td>
</tr>
<tr>
<td>Reliability</td>
<td></td>
<td>0.88</td>
<td>0.78</td>
<td>0.73</td>
<td>0.89</td>
<td></td>
</tr>
<tr>
<td>Personal interaction</td>
<td></td>
<td>0.68</td>
<td>0.73</td>
<td>0.69</td>
<td>0.82</td>
<td>0.69</td>
</tr>
<tr>
<td>Problem Solving</td>
<td></td>
<td>0.78</td>
<td>0.81</td>
<td>0.80</td>
<td></td>
<td></td>
</tr>
<tr>
<td>General Policy</td>
<td></td>
<td>0.70</td>
<td>0.75</td>
<td>0.65</td>
<td>0.69</td>
<td></td>
</tr>
<tr>
<td>RSQS Sub-dimensions</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1.1 Appearance</td>
<td></td>
<td>0.85</td>
<td>0.85</td>
<td>0.81</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1.2 Convenience</td>
<td></td>
<td>0.89</td>
<td>0.90</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2.1 Promises</td>
<td></td>
<td>0.86</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2.2 Doing it right</td>
<td></td>
<td>0.76</td>
<td>0.78</td>
<td>0.74</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3.1 Inspiring Confidence</td>
<td></td>
<td>0.82</td>
<td>0.83</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3.2 Courteousness/ Helpfullness</td>
<td></td>
<td>0.75</td>
<td>0.66</td>
<td>0.77</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Table 8: Items correlation

Finally we can conclude that our study could be consider credible because we tried at all cost to obtain unbiased answers from our respondents and we analyzed exactly what we had as data from them with doing any additional to primary data on our part. This means a high degree of honesty was applied in the study.
References

Scientific articles:


Books:


Gerson Richard F., Measuring Customer Satisfaction, Crisp Pub Inc, 1993


Website:

## Appendices

### Appendix 1: Summary of SERVQUAL replication studies

<table>
<thead>
<tr>
<th>Study</th>
<th>Instrument</th>
<th>Analysis</th>
<th>Factor Structure</th>
</tr>
</thead>
<tbody>
<tr>
<td>Babakus and Mangold (1989)</td>
<td>15 of original 22 items</td>
<td>Exploratory factor analysis</td>
<td>One meaningful factor was found. Could not identify the a priori five-factor structure.</td>
</tr>
<tr>
<td>Carman (1990)</td>
<td>Modifications of SERVQUAL (using 12 to 21 of the original items in each case)</td>
<td>Principal axis factor analysis followed by oblique rotation</td>
<td>Five to nine factors were identified.</td>
</tr>
<tr>
<td>Brensinger and Lambert (1990)</td>
<td>All of original 22 items</td>
<td>Principal axis factor analysis followed by oblique rotation</td>
<td>A five-factor structure was found, but only four had eigenvalues &gt; 1.</td>
</tr>
<tr>
<td>Finn and Lamb (1991)</td>
<td>All of original 22 items</td>
<td>Confirmatory factor analysis</td>
<td>The five-factor structure had a poor fit. No other structures were analyzed.</td>
</tr>
<tr>
<td>Babakus and Boiler (1991)</td>
<td>All of original 22 items</td>
<td>Principal axis factor analysis followed by oblique rotation as well as confirmatory factor analysis (CFA)</td>
<td>The five-factor structure was not supported and no other structures were analyzed. CFA resulted in a two-factor structure.</td>
</tr>
<tr>
<td>Pitt, Oosthuizen, and Moms (1992)</td>
<td>All of original 22 items</td>
<td>Principal components factor analysis followed by promax rotation</td>
<td>The only study to obtain a five-factor structure. However, the factors were different from SERVQUAL with reliability and responsiveness loading on one factor.</td>
</tr>
<tr>
<td>Guiry, Hutchinson, and Weitz (1992)</td>
<td>51 items (15 from the original 22 items plus 36 added items)</td>
<td>Exploratory factor analysis</td>
<td>A seven-factor structure was found.</td>
</tr>
<tr>
<td>Cronin and Taylor (1992)</td>
<td>All of original 22 items</td>
<td>(1) Confirmatory factor analysis (CFA), (2) OBLIMIN oblique factor rotation</td>
<td>(1)CFA resulted in a unidimensional factor, (2)The five-factor structure had a poor fit.</td>
</tr>
<tr>
<td>Bowers and Swan (1992)</td>
<td>Focus group</td>
<td>Qualitative methodologies</td>
<td>Identified the five original factors, plus four others.</td>
</tr>
<tr>
<td>Spreng and Singh (1993)</td>
<td>All of original 22 items</td>
<td>Confirmatory factor analysis</td>
<td></td>
</tr>
<tr>
<td>------------------------</td>
<td>-------------------------</td>
<td>-----------------------------</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>The five-factor structure had a poor fit. Combining responsiveness and assurance into one factor did not significantly improve the fit.</td>
<td></td>
</tr>
</tbody>
</table>

## Appendix 2: Summary on Several Studies on Retail Service Management

<table>
<thead>
<tr>
<th>Author</th>
<th>Research setting(s)</th>
<th>Study sample(s)</th>
<th>Instrument</th>
<th>Analysis</th>
<th>Factor structure or other key findings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gagné &amp; Hartwick (1994)</td>
<td>Southeastern USA</td>
<td>Customers of specialty clothing stores</td>
<td>Refined SERVQUAL scale ( Parasuraman et al., 1985)</td>
<td>Principal axis factor analysis followed by oblique rotation</td>
<td>The five-factor structure used in this study was reduced to four factors.</td>
</tr>
<tr>
<td>Dabholkar et al. (1996)</td>
<td>Southeastern USA</td>
<td>Customers of seven selected stores from two department store chains</td>
<td>The authors’ own scale known as Retail Service Quality (RSQs) which they developed to suit the retail environment after making some modifications to SERVQUAL</td>
<td>Confirmatory factor analysis with partial disaggregation</td>
<td>A hierarchical factor structure was proposed comprising of five dimensions, with three of five dimensions having two subdimensions each and overall service quality as a second-order factor.</td>
</tr>
<tr>
<td>Mehta et al. (2000)</td>
<td>Singapore</td>
<td>Customers of supermarkets and electronic goods retailers</td>
<td>RSQs (Dabholkar et al., 1996) and SERVPERF (Crosin &amp; Taylor, 1992)</td>
<td>Reliability, correlation, regression and factor analysis</td>
<td>RSQs was discovered to be more suited in a “more goods, less services” environment, i.e., a supermarket, while SERVPERF was better for a retailing context where the service element is prevalent. A modified scale resulting from a combination of RSQs and SERVPERF was developed. Five new factors were identified from this modified scale.</td>
</tr>
<tr>
<td>Leung &amp; To (2001)</td>
<td>Hong Kong</td>
<td>Undergraduate students who were shoppers at fashion stores</td>
<td>A 34-item scale developed by Leung &amp; Fung (1990) for measuring service quality specifically in fashion stores</td>
<td>Reliability and correlation analysis</td>
<td>The scale, comprising of five factors, possessed high internal consistency but low temporal stability.</td>
</tr>
<tr>
<td>Siu &amp; Cheung (2001)</td>
<td>Hong Kong</td>
<td>Customers of five stores from a multinationals department store chain</td>
<td>RSQs (Dabholkar et al., 1996)</td>
<td>Principal component factor analysis with varimax rotation</td>
<td>Six factors emerged as opposed to the five-factor structure suggested in RSQs.</td>
</tr>
<tr>
<td>Kim &amp; Jin (2002)</td>
<td>USA and Seoul, Korea</td>
<td>College students who were shoppers of discount stores</td>
<td>RSQs (Dabholkar et al., 1996)</td>
<td>Confirmatory factor analysis with partial disaggregation</td>
<td>A three-factor structure was found. The RSQs presented a better fit for the US sample than the Korean consumers.</td>
</tr>
<tr>
<td>Author(s)</td>
<td>Year</td>
<td>Country</td>
<td>Research Type</td>
<td>Sample</td>
<td>Scale</td>
</tr>
<tr>
<td>-----------</td>
<td>------</td>
<td>---------</td>
<td>---------------</td>
<td>--------</td>
<td>-------</td>
</tr>
<tr>
<td>Kim &amp; Sooi</td>
<td>2004</td>
<td>USA</td>
<td>Female online apparel shoppers</td>
<td>Loezano's WebQual scale which evaluates the website quality</td>
<td>Confirmatory factor analysis</td>
</tr>
</tbody>
</table>

Source: Jasmine Yeap Ai Leen et al, 2003, p. 3-4
<table>
<thead>
<tr>
<th>Dimension</th>
<th>Sub-Dimension</th>
<th>Perception Item</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Physical</strong></td>
<td>Appearance</td>
<td>P1. The store has modern-looking equipment and fixtures</td>
</tr>
<tr>
<td></td>
<td></td>
<td>P2. The store and its physical facilities (trial rooms and restrooms) are visually attractive</td>
</tr>
<tr>
<td></td>
<td></td>
<td>P3. Materials associated with this store’s service (such as shopping bags, loyalty cards and catalogs) are visually appealing</td>
</tr>
<tr>
<td></td>
<td></td>
<td>P4. The store has clean, attractive and convenient physical facilities (restrooms, fitting rooms)</td>
</tr>
<tr>
<td></td>
<td>Convenience</td>
<td>P5. The store layout at this store makes it easier for customers to find what they need</td>
</tr>
<tr>
<td></td>
<td></td>
<td>P6. The store layout at this store makes it easier for customers to move around in the store</td>
</tr>
<tr>
<td><strong>Reliability</strong></td>
<td>Promises</td>
<td>P7. When this store promises to do something (such as repairs, alterations) by a certain time, it will do so</td>
</tr>
<tr>
<td></td>
<td></td>
<td>P8. This store provides its services at the time it promises to do so</td>
</tr>
<tr>
<td><strong>Doing-it-Right</strong></td>
<td></td>
<td>P9. This store performs the service right the first time</td>
</tr>
<tr>
<td></td>
<td></td>
<td>P10. This store has merchandise available when the customers want it</td>
</tr>
<tr>
<td><strong>Personal interaction</strong></td>
<td>Inspiring Confidence</td>
<td>P11. Employees in the store have the knowledge to answer customers’ questions</td>
</tr>
<tr>
<td></td>
<td>Courteousness/Helpfulness</td>
<td>P12. Employees in this store give prompt service to customers</td>
</tr>
<tr>
<td></td>
<td></td>
<td>P13. Employees in this store give to customers individual attention</td>
</tr>
<tr>
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<td>P14. Employees in this store are consistently courteous with</td>
</tr>
<tr>
<td><strong>Problem Solving</strong></td>
<td></td>
<td>P15. This store willingly handles returns and exchanges</td>
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<td>P16. When a customer has a problem, this store shows a sincere interest in solving it</td>
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<td>P17. Employees of this store are able to handle customer complaints directly and immediately.</td>
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<tr>
<td><strong>Policy</strong></td>
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<td>P18. This store offers high quality merchandise</td>
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<td>P19. This store provides plenty of convenient parking for customers</td>
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<td></td>
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<td>P20. This store has operating hours convenient to all their customers</td>
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<td>P21. This store accepts all major credit cards</td>
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Appendix 4: Questionnaire

Research questionnaire – Measurement the retail service quality

Dear respondent, could you please evaluate the service quality of this particular sport store on the different attributes. All the questions can be possible answered on the scale from 1 to 5 where 1 means ‘strongly disagree’ and 5 – ‘strongly agree’. (The option 4---“agree” is equal to your expectation, 3 is indifferent)

1. How do you rate the physical look of the store on the following attributes?

1.1 The store has modern-looking equipment and fixtures
1       2       3       4       5

1.2 Store materials such as shopping bags, loyalty cards and catalogs are visually appealing
1       2       3       4       5

1.3 The store has clean, attractive and convenient restrooms & fitting rooms
1       2       3       4       5

2. How do you rate the service convenience of the store on the following attributes?

2.1 The store layout at this store makes it easy for customers to find what they need
1       2       3       4       5

2.1 The store layout at this store makes it easy for customers to move around in the store
1       2       3       4       5

3. How do you rate the reliability of the store on the following attributes?

3.1 When this store promises to do repairs or alterations by a certain time, it will do so
1       2       3       4       5

3.2 This store performs the service right the first time
1       2       3       4       5

3.3 This store always perform error-free purchase transactions with the cards
1       2       3       4       5

3.4 This store has merchandise available when the customers want it
1       2       3       4       5

4. How do you rate the personal interaction in the store on the following attributes?

4.1 Employees in the store have the knowledge to answer customers’ questions
1       2       3       4       5

4.2 The behavior of employees in this store instills confidence in customers

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4.3 Employees in this store give prompt service to customers

4.4 Employees in this store give to customers the individual attention

4.5 Employees in this store are consistently courteous with customers

5. How do you rate the problem-solving solutions of the store on the following attributes?

5.1 This store willingly handles returns and exchanges

5.2 When a customer has a problem, this store shows a sincere interest in solving it

5.3 Employees of this store are able to handle customer complaints directly and immediately

6. How do you rate the general policy of the store on the following attributes?

6.1 This store has operating hours convenient to all their customers

6.2 This store accepts all major credit cards

6.3 This store offers high quality merchandise

6.4 This store provides plenty of convenient parking for customers

Could you please provide us additional information about the frequency of visiting the store and holding the loyalty card by clicking in the box below.

7. How often do you visit the store in average?

☐ Twice a week

☐ Once a week

☐ Monthly

☐ Occasionally

8. Do you have a loyalty card/shopping card of this particular store?
☐ Yes
☐ No

7. What is your age?
☐ 18- 30 years
☐ 31- 40 years
☐ 41-55 years

Thank you for your answers!
Appendix 5: Service quality Gap model