



**“Application of mystery shopping in
telecommunication stores:
The case of Thessaloniki”**

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Abstract

Purpose of the present study, is to assess the quality of service provided to the customer and identify possibilities for improvement in the service offered by the employees of company X, a major Greek telecommunication company. In this paper, mystery shopping is used as research method. Additionally, the influence of personality and background differences between mystery shoppers on the results is examined. Hence, the following research question is investigated: “How can the customer’s satisfaction with company X be evaluated and improved, using mystery shopping as research method?”

Mystery shopping is conducted in 15 stores in Thessaloniki. The visits are done by 5 different mystery shoppers. Each store is visited twice, to ensure objective and reliable results. The mystery shoppers perceive the environment of the stores as very good. As far as the employees are concerned, they have good knowledge, but can improve on friendliness, convincingness and their understanding of customers’ needs. In general, the mystery shoppers are satisfied with the service provision of company X, although there is further room for improvement. A first recommendation, is to increase the number of employees. Other proposals include: making changes in the training program, extend the operating hours of the stores and increase the number of mystery shoppers per store. All these suggestions, will help company X to improve its service and customer satisfaction. Some evidence of influence of personality and background differences, on mystery shoppers’ results, is discussed. Furthermore, this paper contributes to a better understanding of a relatively unknown research method, but further study is still required. Finally, this is one of the first studies, in which the relation between mystery shopping, customer satisfaction and service quality, is suggested.

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Introduction

Services play an important role in the economies of the members of the European Union, nowadays, for example, almost 80% of the Greek economy is represented by services (Eurostat, 2010). For this reason, it is important to measure customer satisfaction with service. High level of customer service is obligatory in order to maintain customer loyalty. Poor customer service is one of the main causes of losing clients (Szymanski and Henard, 2001). Customer service satisfaction survey is one method to measure if a company reaches its customers' expectations. Another method that has recently become more popular, is mystery shopping. Starting from the 1990s, mystery shopping experienced a rapid growth. Currently, it has become a worldwide industry with a turnover of 1.5 billion dollars (Ramesh, 2010).

Mystery shopping is defined as *“The use of individuals trained to experience and measure any customer service process, by acting as potential customers and in some way reporting back on their experiences in a detailed and objective way”* (FSA, 2006). Mystery shopping is used by wide range of companies in order to achieve three purposes: to identify failings and weak points in service delivery, to develop and motivate service staff through training and reward mechanisms, to benchmark the customer service of a company with its competitors (Wilson, 2003).

In this dissertation mystery shopping was applied in the stores of a well-known Greek telecommunication company. All stores were situated in Thessaloniki. The company wished to remain anonymous and for this reason, from now on it is called company X. Purpose of the study is to assess the quality of the service provided to the customer and identify possibilities for improvement in the service, offered by the employees of company X. Mystery shopping will be used as the research method. Another goal of this study is to make out possible influences of differences, in background and character, between mystery shoppers on the results of mystery shopping research. According to these objectives, the following research question has been formulated:

How can the customer's satisfaction with company X be evaluated and improved, using mystery shopping as research method?

To be more specific, answers to the following questions are expected:

1. What is the overall impression of the store?
2. What is the speed of the service delivery?
3. What is the impression of the service offered by the employee? (e.g. friendliness)
4. How satisfied is the customer from the outcome of the service?

This research will contribute first of all to the company, because it offers to company X the possibility to measure its performance and how to improve it. Moreover, mystery shopping is a relatively new research method. Its application will contribute to better understanding of its benefits and usefulness. Empirical research in academic literature, about mystery shopping and similar research methods, is limited (Grove and Frisk, 1992; Hesselink and Van der Wiele, 2003). Some exceptions to this come from Wilson (1998; 2000; 2002), Hesselink and Van der Wiele (2003), Van der Wiele et al (2005) and Ramesh (2010). Especially, recent articles about this topic are hard to find, as there exists gap between 2005 and 2010. Ramesh (2010) also supports further study into mystery shopping. Another contribution of this study will come from an attempt to position mystery shopping in a bigger picture with customer satisfaction and service quality concepts. Previous researchers, like Wilson (2002), link mystery shopping with customer satisfaction. While others, like Grove and Fisk (1992) link mystery shopping with service quality. This is a study, in which a complete picture of these three concepts is provided and a relationship between them is suggested.

The dissertation has the following structure, in order to provide an answer to the research question. In the next chapter, more information about company X is provided, so as to understand the context of this research. In chapter 3, the literature review, the theoretical background of the topic: service quality, customer satisfaction and mystery shopping are explained in depth. In chapter 4, the research design and methodology of the current study are discussed. In chapter 5, the results of the field research are analyzed. In chapter 6, the results are discussed. Finally, in chapter 7, an answer to the research question is given. Furthermore, limitations and directions for further research are provided.

2 “Telecommunication Company X”

2.1 Introduction about Telecommunication Company X

Company X is one of the biggest companies in Greece with more than 5.5 million customers. Its turnover, in 2009, exceeded €1.07 billion. Telecommunication Company X was established in 1992. It became popular immediately, due to the fact that the first call from a mobile in Greece was made by this company. Now, every day the company handles around 21 million calls and 9 million SMS.

In 2007, the name of the company changed because of its acquisition by the International Weather Investments Group. This acquisition signaled a new era for company X. Nowadays, it is one of the major telecommunication companies in Greece. What it offers to customers is Mobile Telephony, Fixed Telephony and Internet in a fully integrated package. It has 400 franchise-owned stores throughout Greece, where consumers can find whatever they desire. More than 1.000 qualified and well-trained employees are ready to serve them, in the quickest and smartest way.

The specific company gives much attention to the quality of service. For this reason, each year it invests around €150 million in its operations and infrastructures, in order to deliver high quality of service. Also, it developed a technical network which provides coverage to 99.6% of the population. Even people, who live far away in remote regions, have full coverage.

Company X is a responsible company because its activities and its operations center on Corporate Social Responsibility. “In Action”, is an action plan that relates to the responsibility of the company, the protection of the environment and society (Company X, 2010).

2.2 Mystery Shopping in Company X

Company X uses mystery shopping research for many reasons. First of all, through mystery shopping it wants to control the defects and weak points during the service (Wilson, 2001). Secondly, through this method customer experience is checked as well as satisfaction, by a third person, who is unknown and does not have relation with the company. Thus, the company observes how clients perceive the service

delivery process and the performance of the company generally. Likewise, the mystery shopper is an experienced eye because he or she also visits the competitors' stores and benchmark their performance. So, his or her opinion about the service delivery of company X is very important and crucial. Lastly, it motivates the employees by connecting their performance with appraisal and reward systems (Wilson, 2003). Every year, company X rewards the stores, which have high scores in mystery shopping research.

The company collaborates with a corporation, which is responsible for the mystery shopping research. This corporation trains and sets the mystery shoppers, who do not link with company X, in order to present objectively the real picture of the company. Apart from the mystery shoppers, the company sets account supervisors, who have the control of 10-15 stores each.

The mystery shopping sometimes takes place twice per year and sometimes once per 2 months. So, the times, that it is conducted, vary and depend on the new packages, products and services that company X introduces to its customers. The research takes place in all the stores of the company and one mystery shopper is defined per store. As far as the checklist is concerned, company X specifies the sections and the fields of the checklist and gives all its ideas to the research corporation, in order to construct the questionnaire.

After the research, the company takes some decisions about the staff. If an employee does not have the appropriate behavior or knowledge, company X may train him or her again or arrange some seminars. The company gives to staff members opportunities to improve; thus, not dismiss them easily, because it understands that sometimes employees have bad days.

Generally, mystery shopping is an important research method for company X and the company is very satisfied with its use. The benefits are more than the costs and company X becomes better through mystery shopping. Likewise, the corporation that undertakes the mystery shopping, sometimes gives them an overall picture of their competitors' service delivery and performance. As a result, this helps them to understand in which level they are, their weak points and what they should do in order to reach the top.

3 Literature review

3.1 Introduction about services

Role of services in the economy

In the last decades, services have been playing an increasingly important role in the economies of the Western world. Data from 2003 shows, for example, that the service sector accounted for 76 % of total employment and for 77 % of total GDP in the United States (Grönroos, 2007). Data from Eurostat (2010), shows that in 2009 the service sector in Greece accounted for 79,9 % of GDP. This can be split up into: trade, transport and communication services, including also telecommunication company X (33,5%); business and financial services (19,8%); and other services (26,6%).

Understanding services

As shown by statistics, services form a major part of all business activities. To fully understand what exactly a service is, it is important to define services, Zeithaml et al (2009, p. 4) uses the following definition: *“Services include all economic activities whose output is not a physical product or construction, is generally consumed at the time it is produced, and provides added value in forms (such as convenience or health) that are essentially intangible concerns of its first purchaser.”*

Services have four important characteristics that differentiate them from goods: intangibility, heterogeneity, inseparability and perishability (Zeithaml et al, 2009). All these characteristics can be applied to the telecommunication stores of company X. Although, the phones that are sold are physical products that can be touched, the service provided by the employees in the stores is clearly intangible, inseparable, heterogeneous and perishable.

Given the characteristics of services, especially intangibility and inseparability, it is of great importance to offer quality to the customer during the service process. Simply said, if the service is not good, the customer will have an unpleasant experience, since there is no physical product involved that can compensate for the bad service.

In the next section, the issue of service quality is further discussed and the importance of having high levels of service quality becomes clear. After that, the concepts of customer satisfaction and mystery shopping are elaborated.

3.2 Service Quality

Introduction to service quality

A concept that is widely explored by both academics and practitioners is service quality. A company can become successful among its competitors through high levels of service quality. Service quality is difficult to be defined, due to the fact that it is an abstract concept. Many academicians agree that “*service quality is an attitude formed by long-term, overall evaluation of a firm’s performance*” (Hoffman & Bateson, 2006, p.333).

Confusion about the definition of service quality is caused by the existence of different European and American research perspectives regarding this subject. Two models to measure service quality illustrate this confusion. The most common (American) model is SERVQUAL. In this model, service quality has five dimensions: reliability; tangibles; responsiveness; assurance and empathy. Whereas, European researcher Grönroos defined six dimensions for service quality: professionalism and skills; attitudes and behaviors; accessibility and flexibility; reliability and trustworthiness; recovery and reputation; and credibility (Schneider and White, 2004; Parasuraman et al, 1988).

Although, these streams should not be used mutually exclusive (Grougiou, 2008), only the American stream is further elaborated here, as this stream is considered the most suitable to understand the relevance of service quality with mystery shopping research. In the American stream, service quality is seen as a comparison between what the customer expects and how the service is perceived (e.g. Parasuraman et al, 1988). The difference between customers’ expected and perceived service and the causes of these differences are illustrated by the gaps analysis model of service quality (see figure 1). In the remainder of this chapter this model is further discussed.

Gaps Model of Service Quality

The gaps model of service quality of Parasuraman et al (1988) concerns the different gaps between expectations and perceptions about the service from the side of customers, employees and management of the company. These gaps are graphically displayed in figure 1.

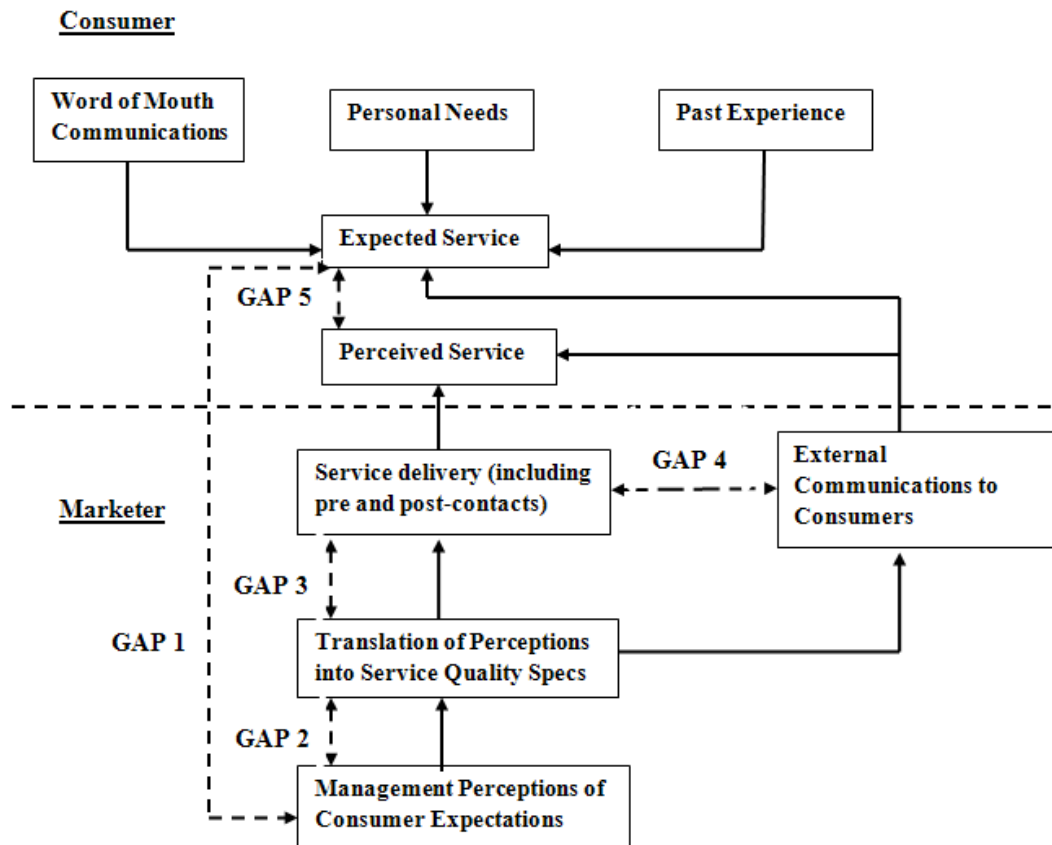


Figure 1: The gap analysis model of service quality by Parasuraman et al (1988)

The most basic gap, is gap 5: the service gap, which is between what the customer expects of the service and how he or she conceives the service which is distributed. The aim of the service company is to reduce and close the service gap, in order to deliver high service quality and become successful. Before the closure of the service gap, the company should close initially the other four gaps: the knowledge, standards, delivery and communications gap. The service gap embodies these four gaps, as a result whichever increase or decrease in these gaps affects the service gap in

the same way. Gaps model analysis can guide management in discovering and locating the causes of problems in service quality (Hoffman & Bateson, 2006; Grönroos, 2007; Zeithaml et al, 2009; Palaima and Banyte, 2006).

Gap 1: The Knowledge Gap

The most direct gap is the knowledge gap which is between what the customer expects from a service and what managers think about customers' expectations. In many cases, managers falsely believe that they know what consumers expect from them. In order to diminish the knowledge gap, the company should be aware of what customers want and then incorporate this knowledge into the service system of the company (Hoffman & Bateson, 2006; Grönroos, 2007; Zeithaml et al, 2009; Palaima and Banyte, 2006).

The factors which influence the knowledge gap are: research orientation, upward communication, levels of management. **Research orientation**, shows the company's attitude towards market research. The gap is big when management or employees do not have the appropriate information about expectations of the customer. **Upward communication**, concerns the transfer of information from the staff to the top management. The staff is closer to the customers than the higher levels of the organization. As a result, when upward communication increases, the size of the gap tends to decrease. The last factor is the **levels of management**. If the hierarchy of the company is complicated, this leads to lack of communication between the top management and consumers. As a consequence, when the levels of management increase, the size of the gap increases too (Hoffman & Bateson, 2006; Grönroos, 2007; Zeithaml et al, 2009; Palaima and Banyte, 2006).

Gap 2: The Standards Gap

The standards gap occurs between what managers think about that the customer expects and the quality standards for service delivery assigned by management. When standards are developed, the company should utilize a blueprint of its functions, in order to specify all the stages of its contact with the customers. Quality standards should be worked out in detail, to specify how the service system has to operate and

how contact personnel should behave within this system (Hoffman & Bateson, 2006; Grönroos, 2007; Zeithaml et al, 2009; Palaima and Banyte, 2006).

The factors which influence the standards gap are **lack of commitment from management and/or staff**. Regularly management: does not assume that it can accomplish customer's expectations; has no obligation to deliver service quality; or have other priorities which intervene with quality standards. Similarly, there can be a low level of commitment to delivering service standards among employees. This is often caused by low levels of collaboration between management and staff or by inadequately setting goals (Hoffman & Bateson, 2006; Grönroos, 2007; Zeithaml et al, 2009; Palaima and Banyte, 2006).

Gap 3: The Delivery Gap

Differences between the quality standards, for service delivery, assigned by management and employees' performance, determine the delivery gap. It is related with the capability of employees to deliver the service, according to the standards set by company's management (Hoffman & Bateson, 2006; Grönroos, 2007; Zeithaml et al, 2009; Palaima and Banyte, 2006).

The factors which influence the delivery gap are: employee's willingness, employee-job fit, role conflict, role ambiguity, dispersion of control and inadequate support. **Employee's willingness** to perform the service varies from one employee to another. It is hard for a company to keep its employees working with the same enthusiasm and motivation through years. **Employee-job fit**, refers to employees that do not fit in their jobs. They are willing to perform the service but they are not able, because they have been hired in positions, where they have not the appropriate qualifications. **Role conflict** is created by differences between what management wishes employees to deliver and employees' perception of what customers desires. **Role ambiguity** may be the result of poor training. When role ambiguity increases, the delivery gap increases too. **Dispersion of control** refers to employees, who are not independent to make decisions. They may feel distant from the service and unable to deliver it effectively. As a consequence, when the dispersion of control increases, the gap increases too. **Inadequate support** can be created by lack of appropriate training and technological equipment. It leads to waste of time and energy, poor productivity

and increase of the gap (Hoffman & Bateson, 2006; Grönroos, 2007; Zeithaml et al, 2009; Palaima and Banyte, 2006).

Gap 4: The Communications Gap

The communications gap is between the actual service and the service that the company describes through its external communications such as media advertising. When the advertisement promises something different from what the consumer obtains, the communication gap increases. When the gap is big, this means that the company is not reliable. As a result, the company loses the trust of its customers (Hoffman & Bateson, 2006; Grönroos, 2007; Zeithaml et al, 2009; Palaima and Banyte, 2006).

Overpromising and horizontal communication are the two factors which affect the communications gap. **Overpromising** occurs when the company guarantees more than it can offer; this happens for example, in situations of high-competition. It also happens, when marketing communications follow service standards, while the organization actually fails to deliver these standards. **Horizontal communication** concerns internal communication between top executives and service staff. Similarly, there can be a lack of coordination between the marketing and operations department (Hoffman & Bateson, 2006; Grönroos, 2007; Zeithaml et al, 2009; Palaima and Banyte, 2006).

Although, the gap model is here adopted as the conceptual framework to understand service quality, there also exists criticism on the gap model approach to service quality. An alternative measurement of service quality is the performance-based SERVPERF approach of Cronin and Taylor (1992). They argue that service quality should be seen as an attitude. Their empirical research shows that the SERVPERF scale should be preferred over the SERVQUAL scale. Furthermore, they state that service quality is an antecedent of customer satisfaction (Cronin and Taylor, 1992; Cronin and Taylor, 1994).

It is not within this study's aim to participate in the debate between the SERVQUAL and SERVPERF scales to measure service quality. This study tries to clarify the role of service quality in mystery shopping. Mystery shopping has been described by Grove and Frisk (1992) as a suitable method to document the existence and size of gap 3 (the delivery gap) in the gaps model. Later, in the literature review

the concept of mystery shopping will be fully explained. Before that, the concept of customer satisfaction and its link with service quality will be analyzed. Here, it is argued that high level of service quality leads to customer satisfaction.

3.3 Customer Satisfaction

Introduction to customer satisfaction

Customer satisfaction is among the most studied areas in marketing and one of the fundamental elements in marketing and market economy. Customer satisfaction has been linked with customer loyalty, increasing sales and willingness to recommend (Hart and Johnson, 1999). It has been noticed that a (dis)satisfied customer will speak about his or her positive or negative experience through word-of-mouth (Szymanski and Henard, 2001; Evans, Jamal and Foxall, 2009).

There are various definitions for customer satisfaction; however, the one mostly used is that of the expectancy-disconfirmation model. According to this model *customer satisfaction is formed by a comparison between customers' expectations and perceptions of the service experience* (Hoffman and Bateson, 2006; Lovelock and Wirtz, 2007). There is confirmation about whether perceptions of the service meet the desirable expectations; as a result the customer is satisfied. There is disconfirmation when the opposite occurs. In the worst case, perceived service does not meet expectations (negative disconfirmation) and the customer is dissatisfied. Only in the best case (positive disconfirmation), this will result in customer satisfaction, customer retention and other benefits, as shown in figure 2 (Lovelock and Wirtz, 2007; Hart and Johnson, 1999), which are discussed later in this chapter. Before that, the factors that determine customer satisfaction are examined.



Figure 2: Satisfaction/repurchase function of Hart and Johnson (1999, p. 11)

Factors determining customer satisfaction

Customers' expectations determine to a large degree customer satisfaction. Zeithaml et al (1993; 2009) and Hoffman and Bateson (2006) describe the factors that could affect customers' expectations. These factors are: personal service philosophies; personal needs; explicit and implicit service promises; word-of-mouth communications; and past experiences (see figure 3). **Personal service philosophies** represent a customer's personal view of how a service provider should behave. **Personal needs** refer to customer's physical, social and physiological needs. **Explicit service promises** are mainly driven by advertising. **Implicit service promises** are formed for example, by the price of the service. **Word-of-mouth communication** with friends and family can also set expectations regarding the service. Finally, expected service is influenced by **past experiences** with a service provider (Zeithaml et al, 1993; Zeithaml et al, 2009; Hoffman and Bateson, 2006).

If a service provider cannot deliver the desired service, this does not necessarily mean that the customer is dissatisfied. There exists the so called “zone of tolerance” between expected and adequate service, see figure 3.

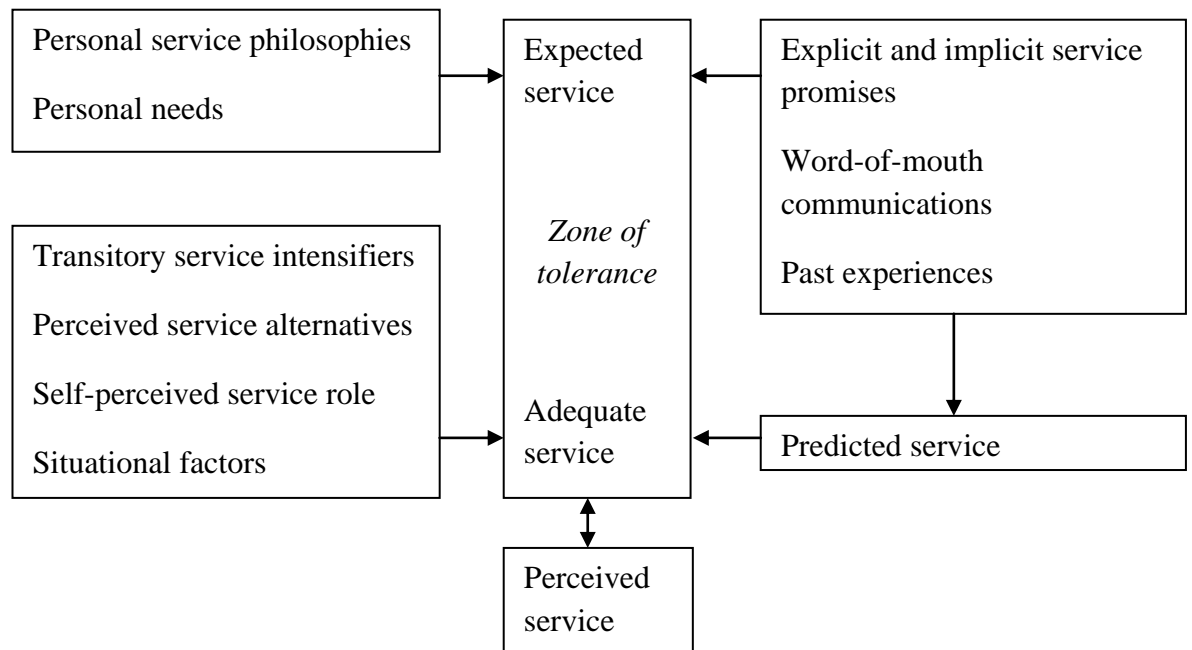


Figure 3: Determinants of customers' expectations of Zeithaml et al (1993, p. 5)

Zeithaml et al (1993; 2009) and Hoffman and Bateson (2006) explain that the boundaries of an adequate service are mainly determined by five factors: transitory service intensifiers; perceived service alternatives; self-perceived service role; situational factors; and predicted service. **Transitory service intensifiers** are short term factors that influence sensitivity to service experiences, like emergency situations. **Perceived service alternatives** are services that can be obtained from others or produced by the customers themselves. **Self-perceived service role** is the role that the customer believes to play in the service. **Situational factors** are out of control of the service provider, like bad weather. The last factor is **predicted service**; the service that the customer expects to receive. This in turn is determined by explicit and implicit service promises, word-of-mouth communications and past experiences (Zeithaml et al, 1993; Zeithaml et al, 2009; Hoffman and Bateson, 2006).

Previous researchers (Szymanski and Henard, 2001; Grougiou, 2008; Zeithaml et al, 2009) have identified 4 more antecedents of customer satisfaction, those are: performance, affect, equity and culture (see figure 4). **Performance** shows the capability to give customers what they want in relation to the costs involved with the service. **Affect** is formed by customers' emotions and mood. **Equity** represents the equality between both financial and non-financial inputs and outputs in a service interaction. Customers become dissatisfied when gains are lower than their input. **Culture** includes common values, ideas, beliefs and expectations that can set a norm for satisfaction with services (Szymanski and Henard, 2001; Grougiou, 2008; Zeithaml et al, 2009).

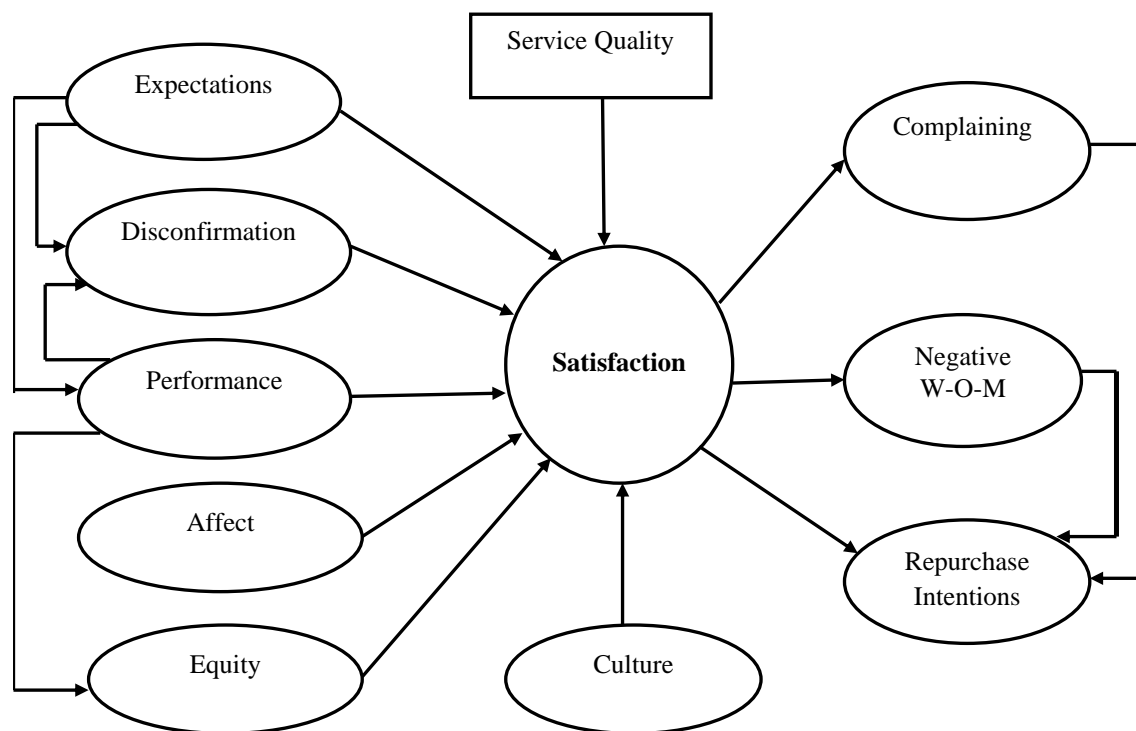


Figure 4: Antecedents of customer satisfaction. Extension to Szymanski and Henard (2001, p. 18) and Grougiou (2008)

Among scholars, there is debate about the relationship between service quality and customer satisfaction (Grougiou, 2008; Grönroos, 2007). Some argue that high service quality leads to customer satisfaction, while others see an opposite relationship. According to Grönroos (2007), Lovelock and Wirtz (2007), Akbar et al (2010) and Cronin and Taylor (1994), providing a high level of service quality means to meet customers' expectations, as in the expectancy-disconfirmation model. They consider

service quality, as one of the factors that determine customer satisfaction. Their view is also adopted in this study (see figure 4).

Benefits of customer satisfaction

Research (Van der Wiele et al, 2005; Hesselink and Van der Wiele, 2003) shows various benefits of high level of customer satisfaction. These are presented below:

- A high level of customer satisfaction leads to positive word-of-mouth, which in turn attracts new customers.
- Satisfied customers are loyal, buy more and more frequent.
- Customers are willing to pay more for a satisfying service.
- Customers feel less attracted by competitors' advertisements.
- Service providers with high level of customer satisfaction are less influenced by competitive pressure, especially price competition.
- Customer satisfaction can be a source of long-term competitive advantage.
- Service firms with high customer satisfaction work in a pleasant environment, which in turn leads to better employee's efforts, which again leads to higher customer satisfaction.
- Measurement of customer satisfaction can be used to evaluate and reward service employee performance.

On the contrary, low level of customer satisfaction means various risks for the firm (Szymanski and Henard, 2001). These are presented below:

- Dissatisfied customers move easily to competing service providers and are less likely to do repeat purchases.
- Being dissatisfied leads customers to complain to the service provider.
- Dissatisfied customers complain to friends and family through negative word-of-mouth.

Measuring customer satisfaction

Judging from the positive and negative consequences of customer satisfaction, it is clear that it is important for a service firm to monitor customer satisfaction. Hoffman and Bateson (2006) explain that satisfaction can be monitored indirectly, through sales, profits and complaints records, and from direct measurements like satisfaction surveys. Wilson (2002) states that customer satisfaction surveys alone are not sufficient to fully understand customers' satisfaction and repurchase intentions. Other measurements are also required to assess quality and effectiveness of service delivery.

Mystery shopping is one of the other methods to measure customer satisfaction. Wilson (2002) shows that 71% of companies that use customer satisfaction surveys, also apply mystery shopping in order to understand the quality of service. 37% of them stated that on low budget they would choose to use mystery shopping, instead of satisfaction surveys, to assess customer satisfaction. These numbers illustrate the importance of mystery shopping in relation to customer satisfaction. The concept of mystery shopping is further elaborated in the next section of the literature review.

3.4 Mystery Shopping

In the previous two sections, the concepts of service quality and customer satisfaction were discussed. As explained, mystery shopping is one of the methods to measure customer satisfaction (Wilson, 2002) and a method to investigate one of the gaps of service quality (Grove and Frisk, 1992). In this section, mystery shopping is going to be explained into detail.

The Financial Services Authority defines mystery shopping as: *“The use of individuals trained to experience and measures any customer service process, by acting as potential customers and in some way reporting back on their experience in a detailed and objective way”* (FSA, 2006, p. 3).

Mystery shopping is a kind of observation, which uses people to operate as potential customers, in order to supervise all the process of the service delivery (Wilson, 2003). Likewise, through mystery shopping, an organization can control the behavior of its staff (i.e. if it is cooperative and efficient) (Leeds, 1995). Its basic

characteristic is that during the research, the employees are not aware of the mystery shopping that takes place, allowing mystery shoppers to judge their behavior and knowledge. Otherwise, if employees knew the day and time of mystery shopping, they would have the representative behavior and the findings of the research would not be realistic (Esomar World Research Codes & Guidelines, 2005).

Mystery shopping is used broadly on retail, financial, leisure, hospital and public sector, throughout the world. It takes different names such as:

- Secret Shopping
- Anonymous Audits
- Virtual Customers
- Mystery Customers
- Spotters
- Performance Audits
- Employee Evaluations

The main methods of mystery shopping are the following: mystery observation, hidden video or audio recording, telephone calls, visits, website visits, and mail or fax (Esomar World Research Codes & Guidelines, 2005).

The History of Mystery Shopping

In its beginning, mystery shopping was a method, which was used by private investigators in order to avoid employee theft, especially in retail stores and banks. The founder of the term “Mystery Shopping” was Wilmark, in 1940, who started using the technique for the evaluation of service to the customer. In the 1970’s and 1980’s, “Shop ‘n Chek” made popular the term by gaining extensive publicity. In the 1990’s with Internet’s help, mystery shopping technique met fast growth and approval. Into the 2000’s, two mystery shopping systems, SASSIE and Prophet, helped the technique to become better. Mystery shopping met worldwide growth and became an important industry, which is worth around \$1.5 billion worldwide (Ramesh, 2010).

Methodology of Mystery Shopping

Mystery shopping is an observational data collection method. According to Grove and Fisk (1992), this kind of method is a suitable tool to capture service processes, as interactions are observed at the moment they occur. Observational methods, like mystery shopping offer several benefits: they are an addition to traditional research methods; they offer a nearby view on phenomena like service interactions; and they provide information about services in their natural settings. In this paragraph, the methodology and design of mystery shopping research is examined into detail.

As mystery shopping is a technique of observation, the mystery shoppers should be very good, well trained, observers. They have to read, for example, facial expressions and body language. The mystery shoppers are required to know the service process and be able to identify failure points. Main purpose of the observation is to assess the shop assistants' behavior. Other objectives are to examine the store, its facilities and, if applicable, the display and promotion of products (Van der Wiele et al, 2005; Ramesh, 2010).

According to Wilson (2003, p.85), "Unlike customer satisfaction surveys, the mystery shopping approach is being used to measure the process rather than the outcomes of a service encounter. Mystery shopping aims to collect facts rather than perceptions." In other words, mystery shopping gives attention to the processes and activities that take place rather than collecting the views of mystery shoppers about the delivery of service.

As explained in the previous section, about service quality, companies try to meet customers' expectations, by setting service standards. Mystery shopping provides measurement in which performance is compared to these standards. Hence, mystery shopping is an excellent method to test the existence of gap 3, the delivery gap, in the gaps model of service quality (Grove and Frisk, 1992). It is the only research method, in which the service performance can be compared with service standards. Measuring the quality of service delivery is also, the main goal of conducting mystery shopping research (Wilson, 1998; Wilson, 2001; Van der Wiele et al, 2005).

One example of a service standard that should always be followed by employees of service companies is to wear their name on a card. Morrall (1994) and Erstad (1998) explain that customers, in banks and hotels respectively, want to know

the name of the employee who served them. After some time, they will not remember the appearance of the personnel. However, they will remember the name more easily, in order to be served by the same employee, during a follow-up service. These findings can also be applied to other sectors, like the telecommunication sector.

Mystery shopping research is used for four basic reasons (Wilson, 2001; Wilson, 2003):

- I. To operate as a diagnostic tool in order to make out the defects and feeble points of each organization's service delivery process.
- II. To motivate and push the staff with appraisal and reward systems.
- III. To benchmark competitors' performance and service delivery process.
- IV. To examine whether customers are treated equally by staff members.

The implementation of mystery shopping is according to some basic principles. First of all, mystery shoppers are anonymous. Secondly, every mystery shopper tries to act as a normal customer. Thirdly, mystery shoppers usually receive good training and use structured checklists, organized by the organization. Lastly, feedback is provided to the company immediately after the visit (Hesselink and Van der Wiele, 2003).

To conduct a mystery shopping research several steps are required (Wilson, 2001; Hesselink and Van der Wiele, 2003). These are: design of the research, selection of mystery shoppers, data gathering and reporting. In the **design phase**, decisions should be made, according to the aims of the research. After this, a checklist with service standards should be developed, in order to achieve these goals. When designing the checklist, the company critically reviews the service process and identifies any possible failure points. Frequency, period and location of the mystery shopping have to be decided in this phase. Secondly, is the **selection of mystery shoppers**. Usually the mystery shopping follows a specific scenario, which includes shoppers' request. Mystery shoppers should fit with the scenario. Third step is the **data collection** and final step is the **reporting**. After the mystery visit, the shopper has to complete the checklist as quickly as possible and feedback should be delivered to management (Wilson, 2001; Hesselink and Van der Wiele, 2003).

Mystery Shoppers

Mystery shoppers receive good training; learn the procedure and what they should notice. So, they are capable to identify and measure critically the problems of the organization. They evaluate the service delivery process: employee's behavior, merchandising and the quality of products. The mystery shoppers should be critical, independent and objective, in order to provide a consistent picture of the way of working in the stores (Hesselink and Van der Wiele, 2003; Van der Wiele et al 2005).

The selection of mystery shoppers is an important process and it depends on the personality of the person who is going to be selected. During the first interview, the responsible person for the selection of mystery shoppers will understand the suitability of interviewee. In most cases, the mystery shopper should adjust a neutral approach, during the service delivery process, rather than an offensive or demanding approach (Wilson, 2003).

The training of mystery shoppers is an important process too. Mystery shoppers take all the details of the scenario that they are going to perform, they focus on the questions that they should ask and the behavior that they should adapt, in order to become believable as real customers. The mystery shoppers should be appropriate for the specific scenario and match with the profile of real customer, for not being spotted by the staff (Wilson, 2001).

Retention and recording are two methods of collecting information and are very important, due to the fact that mystery shoppers cannot complete the checklist, during the service delivery process. Apart from the help of retention and recording, which is not obligatory, mystery shoppers should always take memory training, in order to remember all the details of the visit (Wilson, 2003).

Criticism on Mystery Shopping

Naturally, there also exists criticism on mystery shopping as research method, as described by Wilson (1998; 2001). It is questioned whether it can be considered as an objective and reliable method of data collection or not. Objectivity is increased by using checklists that are based on facts rather than perception, as well as by careful selection of mystery shoppers. In some questions, subjective answers cannot be avoided, like questions about employee's friendliness. For these questions, a scale with

clear descriptions may be adopted. Mystery shopping is often performed within small samples. This lowers the reliability of results. On the other hand, it is also argued that service delivery is highly standardized; therefore every service process should be similar. Hence, small samples could be sufficient for the evaluation of service (Wilson, 1998; Wilson, 2001).

Another point of criticism comes from the ethics field. It is often believed that observing store employees, without informing them, violates their privacy rights. Against this, it is argued that mystery shopping takes place in public settings (Wilson, 1998). It is also argued that mystery shopping involves deceit of employees (to be a real customer) and collection of competitive information in unethical ways (Shing and Spence, 2002).

Future of Mystery Shopping

Evidence shows incremental increase in the use of mystery shopping (Ramesh, 2010). As services are becoming more and more important in the economy world, competition between service providers is inevitable. Therefore, more emphasis is placed on delivering superior service, offering high service quality and achieving high customer satisfaction levels (Wilson, 1998; Wilson, 2001).

4 Research design

4.1 Introduction

As explained in the last section of the literature review, mystery shopping research is used to examine the quality of service delivery, which affects consumers' evaluation of service quality, which in turn is one of the determinants of customer satisfaction. As explained, the methodology of mystery shopping consists of 4 important steps: design of the research, selection of mystery shoppers, data gathering and data analysis. In this chapter, the application of these steps, in the mystery shopping research for company X, is discussed one by one.

4.2 Design of the research

In the literature review, it was explained that mystery shoppers always follow a predetermined scenario with a predesigned checklist that is related to the specific scenario (Wilson, 2001; Hesselink and Van der Wiele, 2003). This checklist makes mystery shopping a quantitative method, as all questions are answered on predesigned answering scales and options. However, some qualitative elements are part of mystery shopping research. The checklists also provide the possibility to comment on the performance of employees and the impression of the store.

It was decided to implement the below scenario, after discussion with the management of company X. Subsequently, all the items that were included in the checklist are discussed.

In the scenario, the customer (mystery shopper) wants to change from a prepaid card to a monthly contract with fixed price. The customer considers changing because he or she currently spends about 35 Euros per month on top-up cards and wants to know if there is a cheaper package, which is suitable to his or her needs. Also, the customer finds it inconvenient to put money on the phone all the time.

The customer makes several calls to landlines (houses), to other telecommunication companies and to numbers of company X. He or she wants

to keep the current number and device. With this information the employees of company X should be able to suggest to the mystery shopper a package that fulfills all these needs. This package is the so-called “B package” without device.

Main goal of this scenario is to test if the employees give customers correct information about recently introduced monthly packages, the “A, B and C packages”, by asking the employees specific questions about these packages. Other goal of mystery shopping is to test various aspects of the quality of service delivery, like employees’ appearance and behavior.

With this scenario and goals in mind, the mystery shopping checklist was designed. The formula of the questionnaire can be found in appendix A. Before conducting the research, the checklist was given to some respondents, in order to check if everything was clear and understandable. The checklist consists of 8 different elements, in which a total of 72 items were included:

- Store information
- Entrance to the store
- Environment of the store
- Employee appearance
- Scenario: employee’s questions
- Scenario: employee’s knowledge
- Scenario: miscellaneous
- Overall experience.

The first section had basic information about: the region and address of the store; and the day and time of the visit.

The second section, entrance to the store, referred to: the number of employees and clients that were inside the store during entry; the time waiting before being served and the time of the service itself; as well as the customer’s belief about the duration of the waiting time and the provided service. Three of the questions were open questions. Two were answered on 5-point rating scale. For the last question specific options were provided.

The third section, environment of the store, had items about: the convenience of the location and the operating hours of the store; the appropriateness of cleanliness,

lightning, temperature and smell of the store; whether the store and display of phones are well-organized; the availability of information brochures; the number of computers in the store; the cleanliness of phones, the availability of information about the price, the characteristics and the variety of available phones; the cleanliness of windows and the visibility of offers; and the existence of security system. Most of these questions were dichotomous, answered with either yes or no. In case the answer was no, mystery shopper should have explained why he or she gave this answer.

The fourth section, employee appearance, relates to: the cleanliness and appropriateness of the employee's clothing; the employee's friendliness and politeness during entry in the store, during the service and when leaving the store; the employee's actions (willingness to help, show of sincere interest, take enough time, persuasiveness, sufficient knowledge, understand needs, appropriate personal attention); and the visibility of the employee's name on a card. Again most of these questions were dichotomous, answered with either yes or no. In case the answer was no, the mystery shopper should have explained why he or she gave this answer. One question was answered on a 5-point rating scale.

Starting from the fifth section the questions were related to the scenario. In this section, it was checked if the employee asked specific questions, in order to understand the customer's needs. The questions were about: the money paid currently per month and the money that the customer wants to pay; family or individual package; keep the same number and device; kind of calls; program for sms and mms; payment method; and finally low tariff to homes. All these questions were answered with either yes or no. At the end, there was possibility to give comments related to this section.

In the sixth section it was checked if correct information was given about the "B package". The specific information was about: the appropriate package; the price with and without new device; the free minutes and messages to company X and landlines; the free minutes and messages to other telecom companies; the number of free mms and MB for internet; the tariff after exceeding the limit of minutes and messages; the required papers for the change to contract; the time to change back to prepay card; and the possibility to transfer unused minutes and messages. To answer these questions 5 different options were provided: yes; does not give information; gives wrong information; asks help from colleague; and other. At the end, there was possibility to give comments related to this section.

The seventh section had other questions related to the scenario, they were about: the package first suggested by the employee; the giving of the brochure; the revision at the end; which package is most suitable; if the employee asks for name and personal documents after the service; suggestions for other products of the company and the customer's opinion about these. For the first question, specific options were provided. The other questions were dichotomous except for the last one, which was answered on a 5-point rating scale. At the end, there was possibility to give comments related to this section.

The last section, overall experience, included: the customer's overall satisfaction with the service delivery; and his or her likeliness to recommend the specific store to other people. These questions were answered on a 5-point rating scale. At the end, there was possibility to give comments about the total experience as customer.

The items that were included in the checklist were taken from various sources. For example, some ideas were taken from previous experience with mystery shopping research by company X. Other items were copied or modified from the SERVQUAL scale (Parasuraman et al, 1988). Lastly, some items were self created from the researchers' ideas, after reading material about mystery shopping and company X. A detailed overview of the source of each checklist item can be found in appendix B.

4.3 Selection of mystery shoppers

The mystery shoppers were 5 students of post-graduate level. They were 2 women and 3 men. Their age was around 26 years old. They were from different academic backgrounds, for example Management, Medicine and European Studies. The mystery shoppers were selected because of their observation skills, suitability for the scenario and enthusiasm to cooperate in mystery shopping research. Moreover, the selected mystery shoppers did not know each other. They were only linked to the researchers of the present study. Literature states that mystery shoppers should be independent, in order to ensure objectivity (Hesselink and Van der Wiele, 2003; Van der Wiele et al 2005). In this way, it was ensured that the results of one mystery shopper would not taint the opinion of other mystery shoppers.

- The first mystery shoppers were the researchers of this study. They both were students of MSc in Management. One woman and one man, both 24 years old. One of them had Greek nationality, the other had Dutch nationality. They visited 15 stores.
- The second mystery shopper was male, 30 years old and student of MSc in Management. He had Greek nationality, but in contrast to the other mystery shoppers he was from Athens and not from Thessaloniki. For his undergraduate studies he was living for four years in United Kingdom. He visited 6 stores.
- The third mystery shopper was female, 24 years old. She had Greek nationality (from Thessaloniki) but she studied Medicine in Slovakia for six years. She visited 5 stores.
- The fourth mystery shopper was male, 24 years old. He had Greek nationality (from Thessaloniki). He fulfilled his under-graduate degree in European Studies in Thessaloniki. He attended a post-graduate degree in United Kingdom for one year. He visited 4 stores.

4.4 Data gathering and analysis

15 stores of company X, located in the centre and western part of Thessaloniki, were selected to conduct the mystery shopping research. More specifically the stores that were included in the research were:

- 10 stores in Thessaloniki Centre: Egnatia, Dragoumi, Mitropoleos, Tsimiski, Aghias Sofias, Aghiou Dimitriou, Venizelou, Platia Aristotelous, Platia Dimokratias and 26 October
- 5 stores in Western Thessaloniki: Xirokrini, City Gate – Giannitson, Polihni, Neapoli and Ilioupoli

Every store was visited twice, these visits were always done by different mystery shoppers, in order to have independent evaluations of each store. All visits were done in July 2010. It took one month to complete the mystery shopping research. During this period the stores were operating at full capacity, as the main holiday period starts from August. The visits to the stores were done on different days and hours, to

check different conditions that may exist in the same store. For example, different employees and busy shopping hours.

The collected data was analyzed using SPSS PASW Statistics 18. Some of the results had qualitative character. These results came from the information that was provided in the comment sections on the checklist. This information was used in addition to the results of the quantitative analysis. The results from the analysis are discussed in the next chapter.

5 Empirical Analysis

5.1 Introduction

After conducting the mystery shopping research on the stores of company X, the quantitative data was analyzed statistically. In this chapter, the results from this analysis are stated (see Appendix C). The analysis starts from the store entrance section of the checklist and then continues with all the sections one by one. At the end, the qualitative findings are discussed and a comparison between different mystery shoppers is made.

5.2 Quantitative analysis

Entrance to the store:

The average number of employees during entry to the stores was 2.30, the range was from 1 to 4. Similarly, the average number of clients during entry was 2.53 and the range was from 0 to 6.

63.3% of the mystery shoppers (19 shoppers) had to wait less than 1 minute before being served by the staff. In contrast, 6.7% (2) were waiting more than 5 minutes. 80% (24) of the customers completed the service within 5 minutes. In one (3.3%) case the service took more than 10 minutes.

56.7% (17 shoppers) of the respondents perceived the time before being served as “very short”. On the other hand, one customer perceived it as “very long”. In the same way, 50% of the respondents (15)

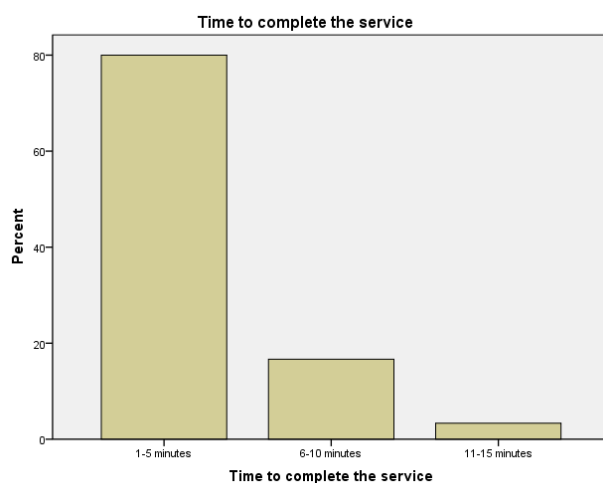


Figure 5: Time to complete the service

perceived the time to complete the service as “very short”. Whereas, none of the shoppers perceived it as “very long”.

Environment of the store:

Percentage of stores that followed standards related to the environment of the store are shown in figure 6. The average number of computers in the store was 5.03, the minimum was 4 and the maximum was 6.

| Standards of the environment of the store | |
|---|------|
| Easy to access and in a convenient location | 100% |
| Convenient operating hours | 0% |
| Clean store | 100% |
| Appropriate lightning | 93% |
| Appropriate temperature | 90% |
| Appropriate smell | 100% |
| Store looks well-organized | 100% |
| Exhibition of phones looks well-organized | 100% |
| Information brochures available in the store | 93% |
| Phones on display are clean | 100% |
| Information available about the prices of the phones | 100% |
| Information available about the characteristics of the phones | 93% |
| Wide variety of phones available | 77% |
| Windows of the store are bright | 100% |
| Offers are visible in the windows | 90% |
| Store has security system | 100% |

Figure 6: Standards of the environment of the store

Employee appearance:

Percentage of employees that followed standards related to employee appearance are shown in figure 7.

| Standards of employee appearance | |
|--|------|
| Clean clothing | 100% |
| employee was friendly when you entered the store | 57% |
| employee was friendly when you left the store | 97% |
| employee was willing to help | 97% |
| employee showed sincere interest | 87% |
| employee took enough time to respond | 40% |
| employee was convincing | 73% |
| employee has sufficient knowledge | 93% |
| employee understands specific needs | 90% |
| employee gives appropriate personal attention | 97% |
| employee is dressed appropriate | 77% |
| employee has name visible on a card | 57% |

Figure 7: Standards of employee appearance

As far as the employee’s friendliness during the service is concerned, 20% (6 respondents) perceived this as “neutral”, 46.7% (14) as “friendly” and 33.3% (10) as “very friendly”.

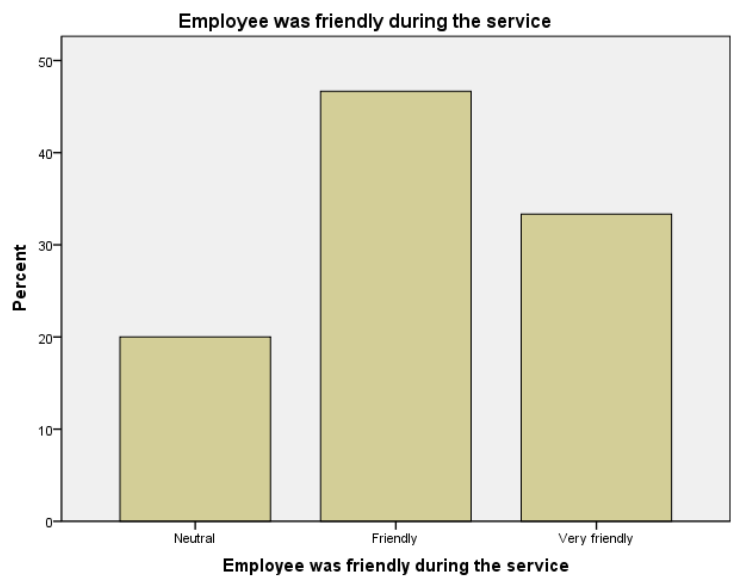


Figure 8: Employees’ friendliness during the service

Scenario: employee's questions

Regarding the questions asked by the employees, none of them made the following questions: do you want to have a program for sms and mms; how do you want to pay; do you want to have a low tariff to call to landlines. Only one of the employees (3.3%) made the question of family or individual package. 10 employees (33.3%) asked about the kind of calls that customers make mostly and if the customer wants to keep the same phone number. 77% of the staff asked the questions below: how much do you want to pay per month and do you want to have a new device or keep your current one. Finally, 90% of the employees made the question of how much they pay currently per month.

Scenario: employee's knowledge

The results from this section are provided in figure 10.

Scenario: miscellaneous

In 76.7% of the cases, the employees instantly suggested the right package, "B without device". The second most suggested package was "A with device" (13.3%, 4 employees). 77% of the respondents received a brochure after the service. The same percentage of employees made a revision at the end about the most suitable package for the

customer. 20% of the mystery shoppers were asked for their name and personal details after the service. In 53% of the stores, the employees also suggested other products of company X to the respondents. 14.3% of these respondents perceived the proposal as "good" and 85.7% as "very good".

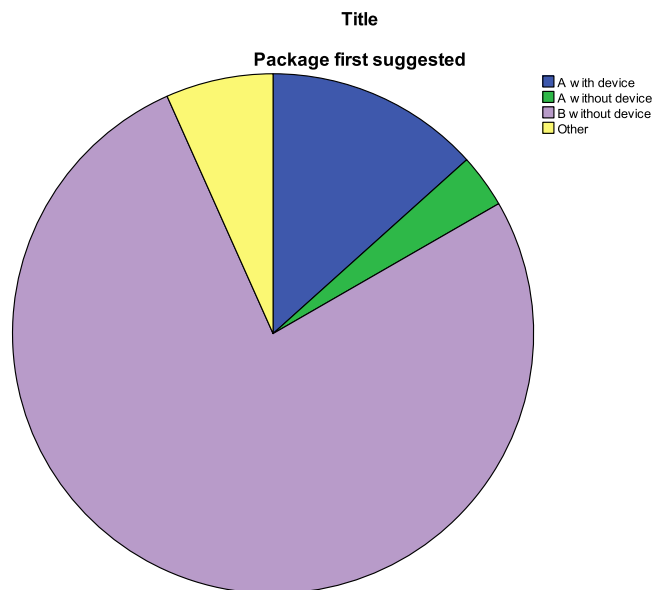


Figure 9: Package first suggested

| Figure 10: Employees' knowledge | <i>Yes</i> | <i>Does not give information</i> | <i>Gives wrong information</i> | <i>Asks help from colleague</i> | <i>Other</i> |
|---|------------|----------------------------------|--------------------------------|---------------------------------|--------------|
| <i>The package that is most suitable to your needs</i> | 96.7% | 0% | 3.3% | 0% | 0% |
| <i>The fixed amount that you pay per month with new device</i> | 83.3% | 0% | 13.3% | 3.3% | 0% |
| <i>The fixed amount that you pay per month without a new device</i> | 83.3% | 0% | 13.3% | 3.3% | 0% |
| <i>The free minutes of speaking to company X and landlines</i> | 100% | 0% | 0% | 0% | 0% |
| <i>The number of free messages to company X</i> | 100% | 0% | 0% | 0% | 0% |
| <i>The free minutes of speaking to other companies</i> | 100% | 0% | 0% | 0% | 0% |
| <i>The number of free messages to other companies</i> | 100% | 0% | 0% | 0% | 0% |
| <i>The number of free mms to everyone</i> | 100% | 0% | 0% | 0% | 0% |
| <i>The number of MB to use internet from the mobile</i> | 100% | 0% | 0% | 0% | 0% |
| <i>The tariff that you pay when you exceed the limit of minutes and messages</i> | 30% | 66.7% | 0% | 3.3% | 0% |
| <i>The papers that you need in order to change the program</i> | 90% | 0% | 10% | 0% | 0% |
| <i>How much time should pass in order to terminate the contract and change back to card</i> | 80% | 13.3% | 3.3% | 3.3% | 0% |
| <i>The possibility to keep unused minutes and messages for the next month</i> | 83.3% | 6.7% | 6.7% | 0% | 3.3% |

Overall experience:

When it came to the mystery shoppers’ overall evaluation of the service provided by company X, they rated their satisfaction as follows: “neutral” (26.7%), “good” (53.3%) and “very good” (20%). One of the mystery shoppers stated that he/she would not recommend the store to other people. On the other hand, 23.3% (7 respondents) would definitely recommend the store to other people.

The answers “neutral” and “yes” were both chosen by 37.7% (11) of the shoppers.

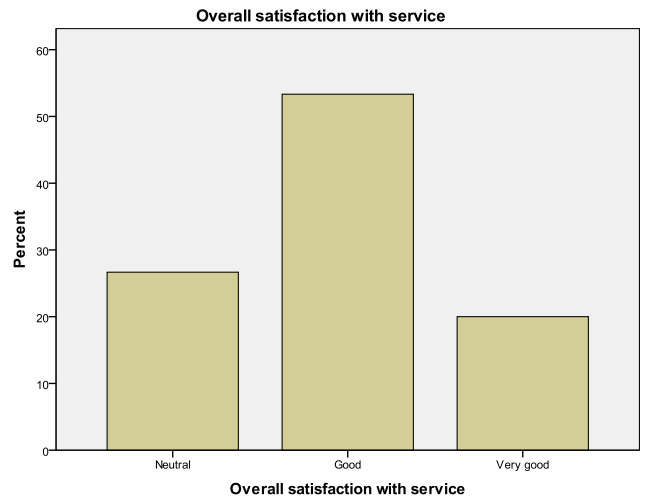


Figure 11: Overall satisfaction

5.3 Comparison between mystery shoppers

One of the study’s goals was to identify a possible influence of mystery shoppers’ characteristics on their perception of the service. In figure 12 average scores for each mystery shopper, on perception-based questions, are compared.

| | <i>Mystery shopper 1</i> | <i>Mystery shopper 2</i> | <i>Mystery shopper 3</i> | <i>Mystery shopper 4</i> |
|---|--------------------------|--------------------------|--------------------------|--------------------------|
| <i>Perception of waiting time</i> | 4.33 | 4.50 | 4.60 | 4.00 |
| <i>Perception of duration of service</i> | 4.47 | 4.00 | 4.60 | 3.75 |
| <i>Perception of employee’s friendliness during the service</i> | 4.33 | 3.83 | 3.80 | 4.25 |
| <i>Opinion about suggestion for other products</i> | 5.00 | 5.00 | 4.00 | 5.00 |
| <i>Overall satisfaction</i> | 4.00 | 4.00 | 3.80 | 3.75 |
| <i>Recommendation to other people</i> | 4.00 | 3.50 | 3.60 | 3.75 |

Figure 12: Comparison between mystery shoppers

5.4 Mystery shoppers' comments

Here, a summary of the qualitative part of the research is given. The qualitative part consisted of the comments that were given by mystery shoppers, in the comment sections of the checklist. An overview of the most common and interesting comments and their frequency is presented. To compare mystery shoppers, the findings are separated per respondent. The mystery shoppers visited respectively 15, 6, 5 and 4 stores.

| | <i>Mystery shopper 1</i> | <i>Mystery shopper 2</i> | <i>Mystery shopper 3</i> | <i>Mystery shopper 4</i> | Total |
|--|----------------------------------|----------------------------------|----------------------------------|----------------------------------|--------------|
| “Store environment was good” | 14 | 3 | 5 | 4 | 26 |
| “Employee had good knowledge” | 14 | 2 | 5 | 2 | 23 |
| “Employee was friendly” | 8 | 1 | 3 | 4 | 16 |
| “Generally, it was a good experience” | 6 | 2 | 2 | 2 | 12 |
| “Employee understood right away what I need” | 6 | 0 | 2 | 1 | 9 |
| “Employee looked bored” | 2 | 1 | 1 | 1 | 5 |
| “The store was crowded” | 2 | 1 | 0 | 0 | 3 |
| “Generally, it was not a good experience” | 1 | 1 | 1 | 0 | 3 |
| “Employee was too serious” | 1 | 0 | 1 | 0 | 2 |
| “Employee was overfriendly” | 0 | 1 | 0 | 0 | 1 |
| “Few employees for the store” | 1 | 0 | 0 | 0 | 1 |
| “Store environment was not appropriate” | 1 | 0 | 0 | 0 | 1 |
| “The employee shook hands with me” | 0 | 1 | 0 | 0 | 1 |
| “The employee was speaking with her mother | 0 | 1 | 0 | 0 | 1 |

Figure 13: Mystery shoppers' comments

6 Discussion of results

6.1 Introduction

In this chapter, the results that were presented in the previous chapter are discussed into detail. The chapter starts with a general analysis of company X's performance. It continues with the examination of store performance, using information from the qualitative part of the study. It finishes with a comparison of mystery shoppers' results.

6.2 Quantitative analysis

Entrance to the store:

The average number of employees during entry to the stores was 2.30. This could be considered as sufficient, as the average number of clients during entry to the store was 2.53, so they were close. As a consequence, it could be expected that the waiting time was less than one minute in 63.3% of the cases. Only 6.7% was waiting more than 5 minutes. From this observation, it followed also logically that 56.6% and 20% of the respondents considered the waiting time as "very short" and "short" respectively. Furthermore, 80% of the customers completed the service in less than 5 minutes. The short duration of the service, in combination with the sufficient number of employees, explained also the short waiting times. Each customer was in the store only for a short period of time, as a result the next customer did not wait long. Despite these positive results, only 50% of the mystery shoppers perceived the duration of the service as "very short". However, nobody said that the duration was "long" or "very long". The scores for short and "not long not short" were 30% and 20% respectively.

With these numbers in mind, it could be said that company X had good policy when it came to the number of employees per store. Waiting times were considered as short, as they were often less than 1 minute. The duration of the service was also short, in most of the cases less than 5 minutes. An unsatisfactory score came from customers' perception of duration of the service. This could be interpreted as a way for the customer to show that performance could be improved, although they were not

discontent with the duration of the service. It also showed that time is valuable to everybody; each customer had his or her schedule and could not afford losing time. Customers' perception about duration of waiting time and the service itself, showed the difference between the delivery of service standards and the way that the customer perceived them. This difference is shown in the gap model, as it attributes to the gap between management's perception of customers' expectations and actual customers' expectations (gap 1) (Hoffman & Bateson, 2006; Grönroos, 2007; Zeithaml et al, 2009; Palaima and Banyte, 2006). The score for perception of duration of the service was slightly disappointing, so this attributed to a lower service quality perception. But, generally for this section, it was concluded that company X performed well on these aspects of the service.

Environment of the store:

All customers stated that the stores were in convenient and easy to access locations. This could be explained from the fact that all stores were situated in central roads. Some of them had also parking areas (e.g. City Gate). In contrast, none of the mystery shoppers found that the operating hours were convenient. This could be clarified from the early closing hours on Monday, Wednesday and Saturday (15.00h). For some customers, like full-time working people, this schedule was not appropriate.

The results showed that the stores scored high on the standards for the store environment. For the following items: clean store; appropriate smell; well-organized store; bright windows; and security system, all the respondents (100%) stated that the standards were followed. For the other items the scores were also high: appropriate lighting (93%); availability of information brochures (93%); appropriate temperature in the store (90%); and offers visible in the window (90%). In general, it can be said that company X was performing appropriately, according to the observations of mystery shoppers. On the last four items, problems appeared due to the following causes. Firstly, inappropriate lightning could be explained from the shape of the store. In some stores, the daylight did not reach the back of the store. Another reason was the insufficient number or type of lights. Secondly, the unavailability of information brochures was clarified by insufficient stock of brochures in some stores. Thirdly, inappropriate temperatures in the store were explained by the absence of air-condition in some places. This may be attributed to the timing of mystery shopping, which took place in July, one

of the hottest months of the year. These findings showed the situational factors that influence the expected service (Zeithaml et al, 1993), as presented in the literature review. Finally, some stores had small windows; as a result it was not possible to present the offers in the windows.

Similarly scores were high for the items related to phones. For the following items: exhibition of phones well-organized; phones are clean; and information about the price, all the respondents (100%) stated that the standards were followed. On the other items the scores were: information about characteristics (93%) and wide variety (77%). Firstly, the unavailability of information about the characteristics of phones could only be explained by fault of the specific store. Secondly, the low variety of phones was caused by the small size of some of the stores.

The average number of computers per store was 5.03. As can be seen from the previous section, this number was sufficient. The average number of employees per store was 2.30, so 2.30 computers per store would already be enough.

In general, the results of this section were satisfying, except for some domains that needed improvement. Company X followed its specifications when it came to store environment, for this reason there was no delivery gap in this area, as in the gap model (Hoffman & Bateson, 2006; Grönroos, 2007; Zeithaml et al, 2009; Palaima and Banyte, 2006). Hence, service quality was high when it came to the store environment.

Employee appearance:

The results from the mystery shoppers showed that 100% of the employees were wearing clean clothing. 77% was dressed appropriate, the remainder was not wearing the official clothes of company X. Some of them were wearing formal clothing; however there were also employees with casual clothes. It was negative that 23% of the employees were wearing other clothing. To wear the official clothing of company X was one of the most important rules of the company. 43% of the employees did not have his/her name visible on a card. This percentage included the staff that did not wear the official company's clothing. Also, there were some employees that just did not wear their card. As written in the literature, it is important for clients to know staff members' names (Morrall, 1994; Erstad, 1998). For this reason, all employees of company X should always wear their card.

57% of the respondents were greeted friendly by one of the employees when he or she entered the store. In many cases, all the employees were occupied, serving other clients, during the entrance of new customers. This explained the low score on this item. This observation was in line with previous observation that the average number of employees per store was just below the average number of clients that usually were in the store. The scores for friendliness during the service were higher: “neutral” (20%); “friendly” (46.7%); and “very friendly” (33.3%). Yet, there was room for improvement to this aspect of service provision. Possible explanations for the somewhat disappointing score were that many of the employees looked tired and hurried during the service. 97% of the employees said goodbye to mystery shoppers when they left the store after finishing the service. The fact that this item did not score 100% is due to the fact that many clients were waiting in the queue. As a result, the employee was pressed and hurried to the next customer, without saying goodbye.

The items that were related to the employees’ behavior during the service showed mixed results. First of all, the highest scores were employees’ personal attention to the customer and willingness to help (both 97%). Both findings, demonstrated that employees were involved with their customers. Furthermore, employee had sufficient knowledge, scored 93%. This showed that employees were well-trained, in order to face all the questions from customers. However, the other 7% indicated that there was still room for improvement. Next, 90% of the mystery shoppers found that the employee understood their specific needs. This was a logical result from the previous findings, as both involvement and knowledge were required to understand customers’ needs. Nevertheless, 10% of the employees did not realize what their customer wanted. An explanation for this; was that many of the employees did not make a sufficient number of questions, so as to understand customers’ needs. Moreover, 87% of the staff members showed a sincere interest in customers’ request. Again, this proved the involvement of employees. Likewise, 73% of the employees were considered to be convincing during the service. Lastly, 40% of the respondents stated that the staff took enough time to respond to their request.

All these items come from the SERVQUAL scale, they measure the difference between customers’ expectation and their perception of the service (Parasuraman et al, 1988). The fact that many of the scores were below 100% showed that there was a difference between expectation and perception of the customer. This gap contributed to lower service quality and thus to lower customer satisfaction. An explanation for the

percentages that did not follow these service standards came from the time pressure on the employees. They had to move on to the next client quickly, when there was a queue. As a result, customers had the impression that the employees were hurried during the service. Another observation from the findings was that there was a difference of 20% between the employees' knowledge and convincingness. Although, the staff was well-trained, this did not necessarily mean that they could convince their clients. This was also caused by time pressure on shop assistants. These explanations are in line with theory that suggests that the delivery gap can be caused by low employee's willingness, low employee-job fit and role conflict (Hoffman & Bateson, 2006; Grönroos, 2007; Zeithaml et al, 2009; Palaima and Banyte, 2006).

Scenario: employee's questions

A first aspect of the specific scenario was that the employee had to find out the exact needs of the mystery shopper. To this purpose, the staff should have asked specific questions to the shoppers. The percentages of the staff members that made these questions were the following: how much do you pay per month (90%); how much do you want to pay per month (77%); do you want to have a new device or keep your current one (77%); do you want to keep the same phone number (33%); what kind of calls do you make mostly (33%); do you want a family or individual package (3%); do you want to have a program for sms and mms (0%); how do you want to pay (0%); do you want to have a low tariff to call to landlines (0%).

The low percentages in these questions showed that the employees did not always follow the standards of company X in this area. Not complying with the specifications of the company, leads to a delivery gap (Hoffman & Bateson, 2006; Grönroos, 2007; Zeithaml et al, 2009; Palaima and Banyte, 2006) and thus to lower service quality and customer satisfaction. These scores could be understood by time-pressure, because employees did not take the time to ask all the questions. It was not good that none of the employees asked if the shopper wanted a package for sms and mms. Likewise, it was not positive that only one made the question about the family or individual package. If the answer to these questions would be yes, then the client would need another package. So, these questions were very important to be asked. The staff was not trained to make these questions. For this reason, they stuck to the basic ones.

Scenario: employee's knowledge

In this part, the percentage of employees that gave correct information, related to the scenario, is presented. 100% of the staff gave correct information about: the free minutes of speaking to company X and landlines; the number of free messages to company X; the free minutes of speaking to other companies; the number of free messages to other companies; the number of free mms to everyone; and the number of MB to use internet from the mobile. Almost all, (96.7%) suggested the right package. Only a small percentage of the staff misinterpreted the needs of customers and proposed a wrong package. From the high scores on these items, it could be excluded that the employees were well-educated by company X. Many of them knew the correct information about “B package” by heart. Others, took all the information from the brochure, but it was clear that they were aware of the specific package.

Some confusion existed among employees about the correct price of the package. For both the price with and without a new device, 83.3% gave the correct information. Although, this was still a high score, this information was crucial and 13.3% gave to their customers wrong price. The reason of this mistake was that some employees were doing wrong calculations for the price of the specific package.

The last four questions were not related with the “B package”, but they were important for customers who wanted to change from card into contract. However, company X did not educate their employees about the answers to these questions. As a result, the scores were lower than on the previous questions about the package. This can be explained as inadequate support, as in gaps model theory (Hoffman & Bateson, 2006; Grönroos, 2007; Zeithaml et al, 2009; Palaima and Banyte, 2006). The first question was about the tariff that you pay when you exceed the limit of minutes and messages. Only 30% of the employees gave the right answer. 66.7% did not give an answer to this question. Many of them said that it was impossible to exceed the limit. They gave this answer, because they did not know the correct response to this question. Although, it was indeed unlikely to exceed the limit, it was still possible to speak more than 25 hours per month (the limit of the package). The cause of this low score was that this question was uncommon and tricky to answer, as this information could not be found in the brochure.

Secondly, 90% of the staff gave correct information about the papers that were needed in order to change from card into contract. Only 10% gave wrong answer, as

they did not mention that the customers needed their tax ID number. This happened in situations where employees were pressed by time in combination with rashness. It was obvious that the staff knew the correct answer, since new contracts were made almost every day.

The third question, how much time should pass in order to terminate the contract and change back to card, was answered correctly by 80% of the employees. 13.3% of them did not give the suitable response. Again, the cause of this score, was that this question was uncommon and tricky to answer, as this information could not be found in the brochure.

As far as the last question is concerned, 83.3% explained correctly the impossibility to keep unused minutes and messages for the next month. 6.7% did not give information about this question and the same percentage gave wrong information. This question could be considered as basic one, so the staff should have known the right reply. For this reason, the score was not satisfying. Another possible explanation was that the employees did not want to give this information, because they did not want to displease their clients. The answer was off-putting, as the possibility to keep unused minutes and messages for the next month did not exist.

Scenario: miscellaneous

An important item on the checklist, was the package that the employees proposed to the mystery shopper at first. In 76.7% of the cases, the first suggested package was also the right one. In the other cases, they picked wrong package, although most of them suggested the correct one later on. One of the reasons that not all staff members were able to give the right recommendation instantly, was that they did not ask a sufficient number of basic questions, in order to understand customers' needs. This observation was also confirmed by the previous discussed findings about questions asked by employees. Another explanation, was that in some situations, "A package" was suggested, because this one might have been more attractive to clients, due to its lower price.

77% of the staff gave at the end the brochure to the customer. This percentage was low and dissatisfying because the management of company X pointed out the necessity of this action. One of the reasons of the low score, was that some of the employees knew all the information by heart. They did not use the brochure, as a

consequence they did not give it to the customer. Another reason, was the insufficient supply of brochures in some stores. Another action that was considered as crucial by the management of company X was the need of a revision at the end of the service. Again, the score on this standard was dissatisfying, only 77% of the employees made the revision. In many cases the employees were pressed by time, a queue of customers was already waiting. For this reason, they did not revise the basic information to the customer. Finally, 20% of the staff asked the client's name and personal details at the end of the service. This score was low, but it did not affect the quality of the service, as this question was not required in the current scenario. It was an extra service that was offered by some of the employees, in order to inform the customer in case of promotional offers. Likewise, the mystery shoppers mentioned to the employees that they did not want to make the contract at that time. Hence, it was not necessary for the staff to ask for personal details.

Another issue that was not related to the scenario, was the suggestions for other products of company X, which were made by employees during the service. 53% of the staff proposed to mystery shoppers to combine the package with the internet and landline program of company X. Suggestions were only made if there was time availability and limited number of waiting clients. The proposals were perceived by customers as "very good" and "good", by 85.7% and 14.3% respectively. Mystery shoppers liked to be informed about the combination of products, in order to have a lower price. This high percentage showed that the proposal of other products could lead to a win-win situation. Both company and their customers could gain from this suggestion. It was not in the company's guidelines to make this suggestion, but employees should have done this more often, due to the satisfying results about this proposal. With this action they exceeded their customers' expectations. Exceeding expectations leads to customer satisfaction and positive word of mouth (Szymanski and Henard, 2001; Hart and Johnson, 1999).

Overall experience:

In the last section, the respondents rated their satisfaction with the service, which was provided to them. 53.3% rated the service as "good" and 20% as "very good". These percentages were very logical after the analysis of the previous findings. Company X provided good service but sometimes small mistakes were made. For

example, some of the employees asked only basic questions, they were not able to answer all the questions of customers and some of them did not give the brochure. As a result, the majority of the respondents did not rate the service as “very good”, but as “good”.

The percentage of mystery shoppers that would recommend the specific store, was lower than the satisfaction ratings. 23.3% would “definitely suggest” the store to other people and 37.7% would “suggest” it. This finding, is in line with the expectancy-disconfirmation model. This model states that customers will create positive word-of-mouth, in case that their perception of the service exceeds their expectations (Hoffman and Bateson, 2006). In this research, the service was mostly perceived as “good” and not as “very good”, according to respondents’ expectations. Hence, limited word-of-mouth for company X was created, as is in line with the satisfaction/repurchase function of Hart and Johnson (1999).

6.3 Qualitative analysis

In this section, a qualitative analysis for the performance of the stores will be given. To this purpose, the comments from the checklists will be analyzed briefly. Every store was visited twice, by different mystery shoppers, on different days and hours. A more extensive analysis of the performance of every store can be found in appendix D.

Strengths of the stores

- The highest rated stores had in common that they had very good environment and followed all the standards of the company.
- In these stores, the staff members were very friendly and willing to help the customer.
- The employees understood their clients’ needs immediately and proposed the right package.
- They were well-trained and gave all the correct information.
- Most of the staff members gave the information brochure to the customer.

- In these stores, it was suggested to mystery shoppers the combination of “B program” with the landline and internet package of company X. This was perceived as “very good”.
- Some employees gave to the mystery shopper a card with his or her contact details, in order to make the contract with the specific employee later on.

Weaknesses of the stores

- The lowest rated stores had in common their small size, oblong shape and small windows, which made them too dark.
- Some stores had the door open and the air-condition switched-off. As a result, the temperature was not appropriate.
- The smaller stores did not have a wide variety of phones on display.
- The employees in the lower rated stores did not give the brochure to their clients.
- Many of the employees did not wear the card with their names. Moreover, some of the staff members were not wearing official company’s clothing.
- Some mystery shoppers shared the impression that the employee looked tired or bored.
- In these stores they made the basic questions, in order to understand customers’ needs and identify the correct package.

Other findings

- The store in **Venizelou**, had a very big banner, in order to see the store from far away. Customers also had the possibility to take the brochure from outside the store. The store manager came from the back to help the staff members, in order to reduce the queue. This was very positive for the specific store and for company X in general, because they cared about the customer.
- In **Platia Dimokratias** store, both mystery shoppers stated that the employee was too serious during the service; she was not smiling at all.
- In **26 October, Aghiou Dimitriou, Aghias Sofias, Neapoli** and **Xirokrini** stores, it was unexpected that there were many differences (see appendix D) between the service of the two employees. They should have followed the standards of company X, in order to provide to all customers similar service.

- In **Giannitson – City Gate** store, the mystery shoppers were served by different employees, but the service was almost similar.
- In **Platia Aristotelous** store, the employee did not give the appropriate level of personal attention to one of the mystery shoppers, because simultaneously she was writing the personal details of another client. On the one side, this was positive, because the mystery shopper did not have to wait. On the other side, it was negative, as she did not give personal attention to the mystery shopper. Although, the environment of this store was not satisfying, the mystery shoppers still gave a high score to overall satisfaction with the store. From this, it was clear that good service is more important than the environment of the store.
- In **Aghiou Dimitriou** store, both mystery shoppers pointed out that there was no information available about the characteristics of phones. Only the price and the brand were visible.
- In **Giannitson – City Gate** store, the location of the store was very good. It was in a shopping centre with free parking, where it was easy to find a place. The unique employee, in the entire research, who asked about the family or individual package, was in this store.
- In **Neapoli** store, it was very good that the staff member gave her card with her contact details. Moreover, she asked client's name and phone number, in order to inform the mystery shopper about new offers.
- **Ilioupoli's** store was the only small one, which had wide variety of mobiles. After the service the employee wrote some of the basic information about "B program" on a paper and gave it to the customer. It was negative that she did not give the brochure with all information.
- In **Mitropoleos** store, the employee did many calculations and in the end he gave wrong price for "B program", which was an important error.
- In **Tsimiski** store, it was convenient that it had two entrances, one from Tsimiski and one more from Pavlou Mela.

6.4 Comparison of mystery shoppers

One of the purposes of this study, was to identify possible influences of the differences between mystery shoppers, on the results of mystery shopping research. As

explained in the literature, differences in personality and background can affect mystery shoppers' opinion about the provided service (Wilson, 2001). Szymanski and Henard (2001), describe that affect and culture can influence customer satisfaction. Zeithaml et al (1993), state personal needs as one of the factors that set customers' expectations. Here, differences in the perception of mystery shoppers, are discussed.

As far as perception of waiting time before being served (see figure 12) is concerned, there were little discrepancies between mystery shoppers. The average perception ranged from 4 to 4.60. From this, it could not be concluded that mystery shoppers' background affected their perception of the provided service.

In perception of duration of the service, there were differences between mystery shoppers. The two mystery shoppers, who had lived in United Kingdom, rated this item lower than the two other mystery shoppers (around 3.9 vs. 4.5). Perhaps, they got used to the faster British lifestyle and therefore, had different perception of duration of the service.

When it comes to the perception of employees' friendliness, there were also differences between mystery shoppers. Two of them gave average score around 3.8, whereas, the other two gave rating around 4.3. This variation supported the influence of personality on the outcomes of mystery shopping research. It also showed that the term "friendly" could be interpreted in different ways, so subjectivity in some answers could not be avoided.

Three of the mystery shoppers had exactly the same perception (5.00) about the suggestion for other products. Only the third mystery shopper gave a lower rating (4.00). Again, this could be explained from differences in character, as she was a bit stricter than the other respondents.

In overall satisfaction with the provided service, there were little discrepancies, the average scores ranged from 3.75 to 4.00. From this item there was no evidence of influence of differences in character or background, on perception about the service.

However, the influence of personality on the outcomes could be observed from the answers to the next item, which is willingness to recommend the store to others. In particular, the second mystery shopper, who had the highest average score (4.00) on overall satisfaction, put the lowest rating for this question (3.50). The different ratings between the two items for this mystery shopper, could only be understood from the influence of his character. In contrast, the other respondents had little variation between their answers to these two items.

Mystery shoppers' comments on the checklist (the qualitative part of the research) were also compared. As it was obvious, from figure 13, all mystery shoppers made statements about the good store environment, employees' knowledge and to a lesser extent about general experience. To these comments, there were no differences between mystery shoppers. From these observations, there was no evidence of influence of respondents' character and background.

As far as employees' friendliness and ability to understand customers' needs are concerned, three of the mystery shoppers made similar comments. In contrast, the second mystery shopper did make only one comment regarding friendliness and none about understanding needs.

In the other comments, that were made by the respondents, little discrepancies could be found, except for some observations of mystery shopper 2. He was the only one that made comments about unexpected behavior of the employee, for example an employee, who shook hands at the end of the service. This could be explained by the mature age of this mystery shopper. For this reason, he saw the interaction differently and gave more attention to the social aspects of the service.

Generally, after comparing respondents' answers in both the quantitative and qualitative sections of the checklist, it was clear that differences in background and character played a minor role. There was variation in some of the answers, which could only be explained from differences in character and background. From these findings, it was clear that objectivity and reliability was increased, from the fact that every store was visited by two mystery shoppers. Criticism that has been made on mystery shopping questions the objectivity and reliability of this research method (Wilson, 1998; Wilson, 2001).

7 Conclusion and Recommendations

7.1 Introduction

In the final chapter, an answer to the research question is given. After discussion of customers' current satisfaction with the service offered by company X, suggestions for improvement are made. Recommendations for future research on mystery shopping are also provided. Finally, limitations of the current study are discussed.

7.2 Conclusion

In this section, an answer to the study's research question, "How can the customer's satisfaction with company X be evaluated and improved, using mystery shopping as research method?" is provided. After mystery shopping research some conclusions were excluded.

First of all, the environment of the stores of company X, was perceived as "very good" by mystery shoppers. The stores followed all the standards, almost all items scored 100% in this section of the checklist. Especially, the location of the stores was excellent, in central roads. As far as the variety of phones was concerned, it was not good that 23% of the stores had small variety. On the other side, it was also understandable, due to the size of these stores. Only aspect, that scored low (0%) was the operating hours of the stores. On Monday, Wednesday and Saturday the stores closed at 15.00h, which was not convenient for some customers, like working people.

Secondly, when it comes to the employees of company X, the scores were not as satisfying as the environment of the stores. In first instance, the number of employees per store seemed adequate, but under specific conditions (many clients, busy hour) this number was low and led to lower quality of service. Scores on items that referred to employees' friendliness and behavior during the service were low. For example, only 33% of the customers perceived the employee as "very friendly" and only 73% as convincing during the service. The reason for these low scores, was the time pressure that came from the waiting clients. Lastly, as far the appearance of the employee was concerned, big part (23%) of the staff did not follow the rule to wear the official clothing of the company. Moreover, 43% of the employees did not have his or her name

visible on a card. As written in the literature, it is important for clients to know staff members' names. Customers want to know the name of the employee that served them. After some time, they will not remember the appearance of the personnel. However, they will remember the name more easily, in order to be served by the same employee, during a follow-up service (Morrall, 1994; Erstad, 1998).

Similarly, the employees scored low on the questions that they made to customers, in order to understand their needs. This was also caused by time pressure. It was important to understand customers' needs and propose them the right package. So, the staff should have asked sufficient number of questions. Moreover, the correct program should have been recommended instantly. The customer becomes confused if multiple packages are proposed.

On the other side, employees had very good knowledge about the package. Many of them, gave all the information by heart and some of them, from the brochure. The only fault, was about the price of B program. 16.7% did not give the correct price. This percentage should have been lower, because the price of the package was the most important information. In some questions, for example about the tariff that you pay when you exceed the limit of minutes and messages, employees were not trained to answer them. As a result, they gave wrong information to their clients. It would have been better not to answer at all, as no answer is preferable over a wrong one.

An aspect of the service that had negative result, was the giving of the information brochure. 23% of the staff did not follow the rule of the company; to give the brochure after the service. Customers could not remember each detail of the program; therefore, it was crucial to give them the brochure. Another action at the end of the service, was the suggestion of the landline and internet program. In contrast to the previous result, this action made very good impression to mystery shoppers. This suggestion was not obligatory to be made by employees. For this reason, it was positive that 53% of the staff took the initiative for this proposal.

Generally, company X provided good service to its customers, but still there was room for improvement, as it is obvious from the above criticism. The best performing stores were those in Dragoumi (5/5) and Venizelou (4.5/5). On the opposite, the stores that should have gotten more attention from the company were those in Egnatia, Tsimiski, Xirokrini and Polichni (3.5/5). The first two were in important locations, serving high number of customers and close to competitors' stores. Therefore, their

performance should have been better. Recommendations for improvement of company X are made in the next paragraph.

Finally, it was concluded that differences in mystery shoppers' background and character played a minor role to their answers and comments. It was good that, in this research every store was visited by two mystery shoppers, as this increased reliability and objectivity of results.

7.3 Recommendations

The first recommendation, concerns the increase of the number of employees. Currently, there is high time pressure on the staff, coming from the waiting customers in the stores. It would be better to hire more staff, in order to have more time to serve customers.

Secondly, there are some aspects of the service that should get more attention during training programs. Company X should emphasize the importance of friendliness. Furthermore, the behavior during the service, like giving the customer personal attention, should be a priority during the training. Likewise, the importance of asking questions, in order to understand customers' needs, should be pointed out to employees. Lastly, company X should stress the significance of making the suggestion for the landline and internet program.

Thirdly, employees should always use the brochure during the service and afterwards to give it to the customer. Even though, the staff knows all information by heart, it is still easier for the customer to see the information from the brochure. If the brochure is not used during the service, it is easily forgotten to give it to the customer.

A fourth recommendation, concerns the information about the price of the package. Currently, some of the employees provide wrong information about the price of "B program". This mistake is caused by incorrect calculations during the service. To avoid this, it would be an improvement to include the real price (with taxes and offers) of the packages in the brochure. In this way, it will be clearer to both employees and customers.

Another advice to company X is to change the operating hours. All stores should have the same schedule. At present, the stores close at 15.00h on Monday, Wednesday and Saturday. It is preferable to change this timetable and the stores to be open until

17.00h. In this way, company X will offer more convenience to its customers. Another improvement, as far as the stores are concerned, is about the selection of suitable shops. The company should avoid stores with oblong shape, as these tend to be dark and do not allow prices to be visible in the window.

Furthermore, it can be proposed to company X to increase the number of mystery shoppers per store to at least two, in order to ensure reliability and objectivity. The conduct of mystery shopping research shows that company X has good research orientation; hence there is no knowledge gap (Hoffman & Bateson, 2006; Grönroos, 2007; Zeithaml et al, 2009; Palaima and Banyte, 2006). However, it can still be improved. Currently, company X sends only one mystery shopper to every store. For this reason, the results are more subjective.

Some final recommendations, which are less important, are: to emphasize the importance of wearing company's clothing with name card; to have bigger stock of brochures in each store; and lastly, to have air-condition switched-on in every store, during summer months.

These recommendations for improvement are listed in order of importance. Each of these proposals aims to improve company's service, to achieve higher level of customer satisfaction and to increase the number of customers. According to the findings of Szymanski and Henard (2001) and Hart and Johnson (1999), high level of customer satisfaction will lead to positive word-of-mouth, more customers and customer loyalty.

7.4 Implications for future research

Empirical research in academic literature about mystery shopping and similar research methods, is limited (Grove and Frisk, 1992; Hesselink and Van der Wiele, 2003). Especially recent studies are scarce, there exists gap between 2005 (Van der Wiele et al) and 2010 (Ramesh). This paper contributes to better understanding of mystery shopping, but further study is still required. Four areas for future examination are discussed below.

First of all, confusion exists about the roles of customer satisfaction and service quality and how these concepts are linked to mystery shopping. Previous researchers like Wilson (2002), link mystery shopping with customer satisfaction. While others, like

Grove and Fisk (1992) link mystery shopping with service quality. From this paper, it is clear that through mystery shopping is examined both customer satisfaction and the delivery gap of service quality. This is a study, in which the relation between these concepts is suggested. Service quality was assumed as antecedent of customer satisfaction, but this relation is ambiguous (Grougiou, 2008; Grönroos, 2007). Future researchers should continue to investigate, into more detail, the link between these concepts and mystery shopping.

Secondly, it is recommended to conduct a study in which multiple mystery shopping researches, over a longer period of time, should be done. Through the suggested study, it will be possible to examine the long-term effects of mystery shopping on the service that is provided by a company. Such research currently does not exist, as all researches cover only a short period of time. Thus, it is positive for both companies and academics to enhance knowledge about the long-term benefits of mystery shopping.

A third suggestion for future research, is about using mystery shopping as a tool to benchmark with competitors. Benchmarking is described (Wilson, 1998) as one of the main goals of mystery shoppers. However, limited research was done in the past, to further investigate this use of mystery shopping; exceptions are Finn (2001) and Smith (2000). Knowledge about competitors can be valuable to every company, in order to outperform competition. Hence, it is preferable, for both companies and academics to increase comprehension of mystery shopping as benchmarking method.

A fourth suggestion is to further investigate the influence of differences in mystery shoppers' character and background on outcomes of the research. From this study, some evidence for this was found, but the number of respondents was small. For this reason, it would be good to conduct a mystery shopping research with big number of respondents from various backgrounds, in order to identify the role of character and background.

7.5 Limitations

Every research has its limitations; the same applies to this study. In this paper, one of the limitations is the small size of the sample. Mystery shopping is often performed within small samples, thus; this lowers the reliability of results (Wilson,

2001). Here, the 15 stores were visited by 2 mystery shoppers each, for this reason the reliability of individual store analysis is low. The employees could have a bad day, resulting in a false picture about the performance of the specific store. Hence, it would be better to increase the number of mystery shoppers per store.

Another limitation, concerns the subjectivity of mystery shoppers. Some items on the checklist, for example about the friendliness of the employee or the overall satisfaction with the service, can be interpreted in different ways, depending on the perception of mystery shopper. Clear descriptions for each item can be created (Wilson, 2001), but some differences will always exist in the answers to this type of questions.

A final limitation comes from the unique character of each mystery shopping research. No ready-made checklist exists, as every research involves another scenario. Therefore, the checklist was designed from scratch. A ready-made scale is preferable, as this ensures reliability and suitability of questions, but in this study that was simply not possible.

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Appendix A: Mystery shopping checklist

Store information

1. *Company*:.....
2. *Region*:.....
3. *Address*:.....
4. *Type of store*: franchise owned
5. *Scenario*: change card into contract
6. *Day and time of visit*:.....

Entrance to the store

1. *How many employees are in the store, during entry?*.....
2. *How many clients are in the store, during entry?*.....
3. *How many minutes do you wait before the staff is going to serve you?*
1. 0-1 minute 2. 1-5 minutes 3. 6-10 minutes
4. 11-15 minutes 5. more than 15 minutes
4. *Do you believe that the time that you were waiting is:*
1 Very long 2 Long 3 Not long, not short 4 Short 5 Very short
5. *How much time did it take to complete the service?*
1. 0-1 minute 2. 1-5 minutes 3. 6-10 minutes
4. 11-15 minutes 5. more than 15 minutes
6. *Do you believe that the time it took to complete the service is:*
1 Very long 2 Long 3 Not long, not short 4 Short 5 Very short

Environment of the store

1. *Is the store easy to access and in a convenient location?*
1 Yes 2 No (Please explain)

.....
.....
.....

2. *Does the store have convenient operating hours?*

1 Yes 2 No (Please explain)

.....
.....
.....

3. *When you enter the store does it look clean?*

1 Yes 2 No (Please explain)

.....
.....
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4. *Is the lighting in the store appropriate?*

1 Yes 2 No (Please explain)

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5. *Is the temperature in the store appropriate?*

1 Yes 2 No (Please explain)

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.....
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6. *Is the smell in the store appropriate?*

1 Yes 2 No (Please explain)

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.....
.....

7. *Does the store look well organized?*

1 Yes 2 No (Please explain)

.....
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.....

8. *Does the exhibition of the phones look well organized?*

1 Yes 2 No (Please explain)

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.....
.....

9. *Are there information brochures available in the store?*

1 Yes 2 No (Please explain)

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.....
.....

10. *How many computers exist in the store in order to serve the customers?*

1. 1 computer 2. 2 computers 3. 3 computers 4. 4 computers 5. 5 computers

11. *Do the phones that are on display look clean?*

1 Yes 2 No (Please explain)

.....
.....
.....

12. *Is there information available about the price of the phones?*

1 Yes 2 No (Please explain)

.....
.....
.....

13. *Is there information available about the characteristics of the phones?*

1 Yes 2 No (Please explain)

.....
.....
.....

14. *Is there a wide variety of phones available in the store?*

1 Yes 2 No (Please explain)

.....
.....
.....

15. Are the windows of the store bright?

1 Yes 2 No (Please explain)

.....
.....
.....

16. Are the offers visible in the windows?

1 Yes 2 No (Please explain)

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.....
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17. Does the store have a security system to feel safe as a customer?

1 Yes 2 No (Please explain)

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Employee appearance

1. Did the employee's clothing look clean?

1 Yes 2 No (Please explain)

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2. Was the employee friendly when you entered the store?

1 Yes 2 No (Please explain)

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.....
.....

3. Was the employee friendly and polite during the service?

1 Very unfriendly 2 Unfriendly 3 Neutral
4 Friendly 5 Very friendly

4. Was the employee friendly when you finished the service and left the store?

1 Yes 2 No (Please explain)

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5. Was the employee willing to help you?

1 Yes 2 No (Please explain)

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6. Did the employee show a sincere interest in answering your questions?

1 Yes 2 No (Please explain)

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7. Did the employee take enough time to respond to your request?

1 Yes 2 No (Please explain)

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.....

8. Was the employee convincing during the service?

1 Yes 2 No (Please explain)

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9. Did the employee have sufficient knowledge in order to answer your questions?

1 Yes 2 No (Please explain)

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10. Did the employee understand your specific needs?

1 Yes 2 No (Please explain)

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11. Did the employee give you the appropriate level of personal attention?

1 Yes 2 No (Please explain)

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12. Was the employee dressed appropriate?

1 Yes 2 No (Please explain)

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13. Did the employee have his or her name visible on a card?

1 Yes 2 No (Please explain)

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Scenario: employee's questions

Which of these questions were asked by the employee?

1. How much money do you pay per month?

1 Yes 2 No

2. How much money do you want to pay per month?

1 Yes 2 No

3. Do you want a family or individual package?

1 Yes 2 No

4. Do you want to keep the same phone number?

1 Yes 2 No

5. What kind of calls do you make mostly (to mobiles, homes, abroad)?

1 Yes 2 No

6. Do you want to have a program for sms and mms?

1 Yes 2 No

- 7. How do you want to pay (cash, bank account, credit card)?
 1 Yes 2 No
- 8. Do you want to have a low tariff to call to landlines?
 1 Yes 2 No
- 9. Do you want to have a new device or keep your current one?
 1 Yes 2 No

Comments on this section:.....

Scenario: employee’s knowledge

Does the employee give correct information about:

- 1. The package that is most suitable to your needs.
 1 Yes 2 Does not give information
 3 Gives wrong information 4 Asks help from colleague
 5 Other.....
- 2. The fixed amount that you pay per month with new device.
 1 Yes 2 Does not give information
 3 Gives wrong information 4 Asks help from colleague
 5 Other.....
- 3. The fixed amount that you pay per month without a new device.
 1 Yes 2 Does not give information
 3 Gives wrong information 4 Asks help from colleague
 5 Other.....
- 4. The free minutes of speaking to company X and landlines.
 1 Yes 2 Does not give information
 3 Gives wrong information 4 Asks help from colleague
 5 Other.....

5. The number of free messages to company X.
- | | |
|---------------------------|-----------------------------|
| 1 Yes | 2 Does not give information |
| 3 Gives wrong information | 4 Asks help from colleague |
| 5 Other..... | |
6. The free minutes of speaking to other companies.
- | | |
|---------------------------|-----------------------------|
| 1 Yes | 2 Does not give information |
| 3 Gives wrong information | 4 Asks help from colleague |
| 5 Other..... | |
7. The number of free messages to other companies.
- | | |
|---------------------------|-----------------------------|
| 1 Yes | 2 Does not give information |
| 3 Gives wrong information | 4 Asks help from colleague |
| 5 Other..... | |
8. The number of free mms to everyone.
- | | |
|---------------------------|-----------------------------|
| 1 Yes | 2 Does not give information |
| 3 Gives wrong information | 4 Asks help from colleague |
| 5 Other..... | |
9. The number of MB to use internet from the mobile.
- | | |
|---------------------------|-----------------------------|
| 1 Yes | 2 Does not give information |
| 3 Gives wrong information | 4 Asks help from colleague |
| 5 Other..... | |
10. The tariff that you pay when you exceed the limit of minutes and messages.
- | | |
|---------------------------|-----------------------------|
| 1 Yes | 2 Does not give information |
| 3 Gives wrong information | 4 Asks help from colleague |
| 5 Other..... | |
11. The papers that you need in order to change the program (ID card, tax ID number, bill from utility company etc).
- | | |
|---------------------------|-----------------------------|
| 1 Yes | 2 Does not give information |
| 3 Gives wrong information | 4 Asks help from colleague |
| 5 Other..... | |
12. How much time should pass in order to terminate the contract and change back to card.
- | | |
|---------------------------|-----------------------------|
| 1 Yes | 2 Does not give information |
| 3 Gives wrong information | 4 Asks help from colleague |
| 5 Other..... | |

13. The possibility to keep unused minutes and messages for the next month.

- 1 Yes
- 2 Does not give information
- 3 Gives wrong information
- 4 Asks help from colleague
- 5 Other.....

Comments on this section:.....
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Scenario: miscellaneous

- 1. Which package did the employee at first suggest?
 - 1 A with device
 - 2 A without device
 - 3 B with device
 - 4 B without device
 - 5 C with device
 - 6 C without device
 - 7 Other.....
- 2. Did they give you the information brochure?
 - 1 Yes
 - 2 No
- 3. In the end is there a revision of what you want and which package is best for you?
 - 1 Yes
 - 2 No
- 4. In the end does the employee ask for your name and personal documents?
 - 1 Yes
 - 2 No
- 5. Did the employee suggest you any other Company X products?
 - 1 Yes
 - 2 No
- 6. What is your opinion about this suggestion?
 - 1 Very bad
 - 2 Bad
 - 3 Neutral
 - 4 Good
 - 5 Very good

Comments on this section:.....
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Overall experience

- 1. How is your overall satisfaction with the service that was provided to you ?
1 Very bad 2 Bad 3 Neutral 4 Good 5 Very good
- 2. Would you recommend company X to other people (family, friends etc)?
1 Definitely no 2 No 3 Neutral
4 Yes 5 Definitely yes

General comments as customer about the total experience:.....
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Appendix B: Sources of items on checklist

| Item | Source |
|---|------------------------|
| Store information | |
| Company | Company X |
| Region | Company X |
| Address | Company X |
| Type of store | Company X |
| Scenario | Company X |
| Day and time of visit | Company X |
| Entrance to the store | |
| Number of employees during entry to the store | Company X |
| Number of clients during entry to the store | Company X |
| Time before being served by the staff | Company X |
| Perception about time before being served | Self-created |
| Time to complete the service | Company X |
| Perception about time to complete the service | Self-created |
| Environment of the store | |
| Easy to access and convenient location | SERVQUAL |
| Convenient operating hours | SERVQUAL |
| Clean store | Modified from SERVQUAL |
| Appropriate lighting in the store | Modified from SERVQUAL |
| Appropriate temperature in the store | Modified from SERVQUAL |
| Appropriate smell in the store | Modified from SERVQUAL |
| Store looks well-organized | Modified from SERVQUAL |
| Exhibition of phones is looks well-organized | Modified from SERVQUAL |
| Information brochures available in the store | Modified from SERVQUAL |
| Number of computers in the store | Modified from SERVQUAL |
| Phones on display are clean | Modified from SERVQUAL |
| Information available about the price of the phones | Self-created |
| Information available about the characteristics of the phones | Self-created |
| Wide variety of phones available | Self-created |
| Windows of the store are bright | Modified from SERVQUAL |
| Offers are visible in the windows | Self-created |
| Store has security system | Modified from SERVQUAL |
| Employee appearance | |
| Employee has clean clothing | SERVQUAL |
| Employee was friendly when you entered the store | SERVQUAL |
| Employee was friendly during the service | SERVQUAL |

| | |
|---|------------------------|
| Employee was friendly when you left the store | SERVQUAL |
| Employee was willing to help | SERVQUAL |
| Employee showed sincere interest | SERVQUAL |
| Employee took enough time | Company X |
| Employee was convincing | Company X |
| Employee has sufficient knowledge | SERVQUAL |
| Employee understands specific needs | SERVQUAL |
| Employee gives appropriate personal attention | SERVQUAL |
| Employee is dressed appropriate | Modified from SERVQUAL |
| Employee has name visible on a card | Self-created |
| Scenario: employee's questions | |
| Asks: How much money do you pay per month? | Self-created |
| Asks: How much money do you want to pay per month? | Self-created |
| Asks: Do you want a family or individual package? | Self-created |
| Asks: Do you want to keep the same phone number? | Self-created |
| Asks: What kind of calls do you make mostly? | Self-created |
| Asks: Do you want to have a program for sms and mms? | Self-created |
| Asks: How do you want to pay? | Self-created |
| Asks: Do you want to have a low tariff to call to homes? | Self-created |
| Asks: Do you want to have a new device or keep your current one? | Self-created |
| Scenario: employee's knowledge | |
| Correct information: The package that is most suitable to your needs | Self-created |
| Correct information: The fixed amount that you pay per month with new device | Self-created |
| Correct information: The fixed amount that you pay per month without a new device | Self-created |
| Correct information: The free minutes of speaking to company X and landlines | Self-created |
| Correct information: The number of free messages to company X | Self-created |
| Correct information: The free minutes of speaking to other companies | Self-created |
| Correct information: The number of free messages to other companies | Self-created |
| Correct information: The number of free mms to everyone | Self-created |
| Correct information: The number of MB | Self-created |

| | |
|---|--------------|
| to use internet from the mobile | |
| Correct information: The tariff that you pay when you exceed the limit of minutes and messages | Self-created |
| Correct information: The papers that you need in order to change the program | Company X |
| Correct information: How much time should pass in order to terminate the contract and change back to card | Self-created |
| Correct information: The possibility to keep unused minutes and messages for the next month | Self-created |
| Scenario: miscellaneous | |
| Package first suggested | Self-created |
| They gave the brochure | Self-created |
| Revision in the end | Company X |
| Employee asks for name and personal information in the end | Self-created |
| Employee suggests any other products | Company X |
| Your opinion about this suggestion | Self-created |
| Overall experience | |
| Overall satisfaction with service | Company X |
| Recommend to other people | Company X |

- Company X: items were taken from checklists used by company X in previous experience with mystery shopping research
- SERVQUAL: items were copied from SERVQUAL scale
- Modified from SERVQUAL: items were inspired from SERVQUAL scale but modified to make them suitable for mystery shopping research in company X
- Self-created: items were self-created, these are items that are specific to telecommunication stores and the scenario used in this research

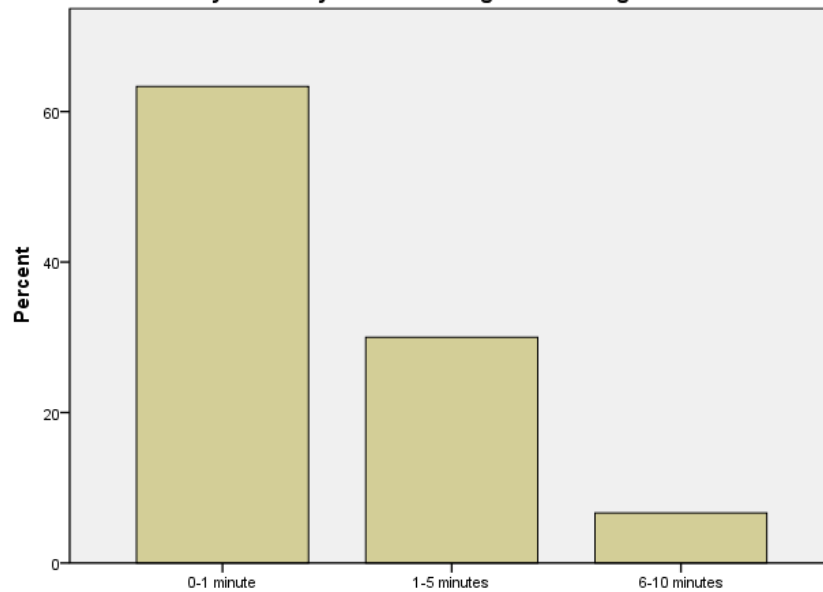
Appendix C: Empirical analysis

Store Entrance:

Descriptive Statistics

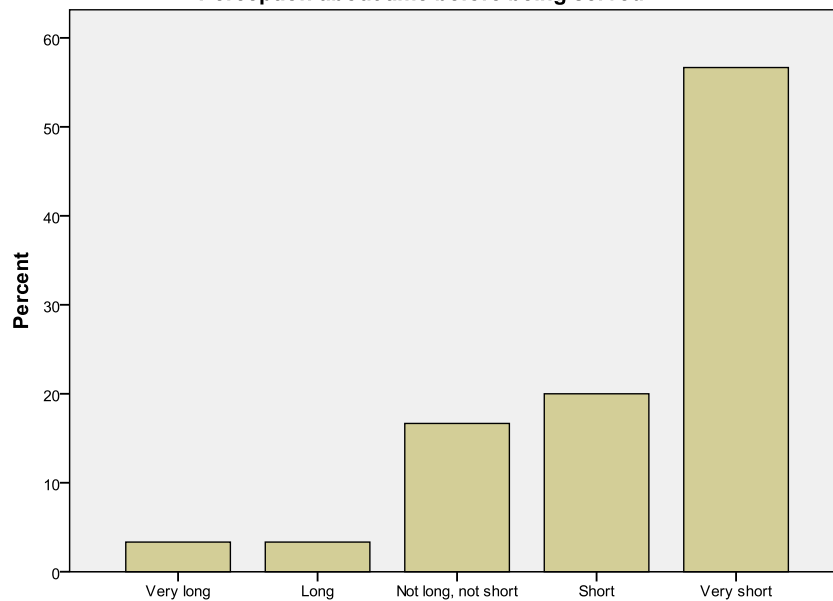
| | N | Minimum | Maximum | Mean | Std. Deviation |
|---|----|---------|---------|------|----------------|
| Number of employees during entry to the store | 30 | 1 | 4 | 2,30 | ,651 |
| Number of clients during entry to the store | 30 | 0 | 6 | 2,53 | 1,871 |
| Valid N (listwise) | 30 | | | | |

How many minutes you were waiting before being served?

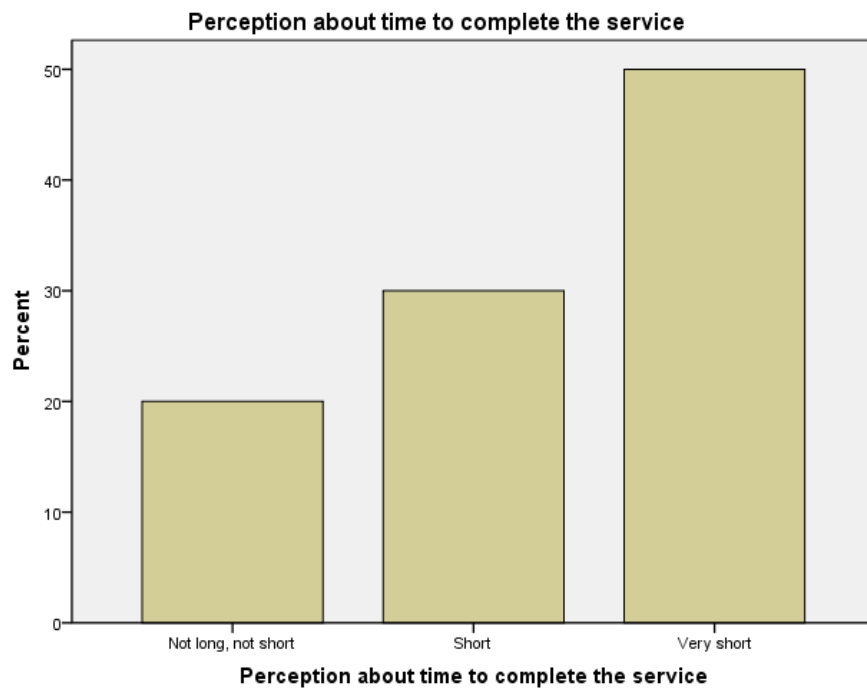
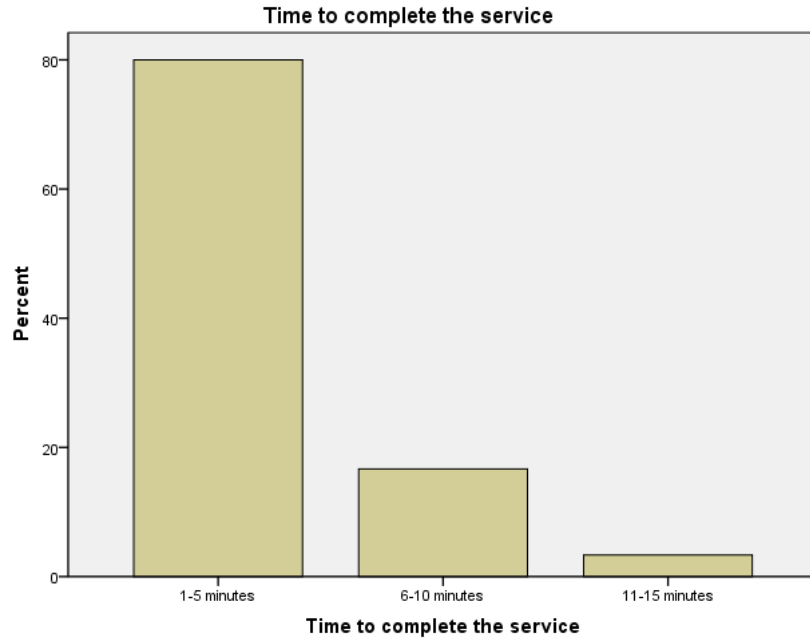


How many minutes you were waiting before being served?

Perception about time before being served



Perception about time before being served



Environment of the store:

Descriptive Statistics

| | N | Mean |
|---|----|------|
| Easy to access and convenient location | 30 | 1,00 |
| Convenient operating hours | 30 | ,00 |
| Clean store | 30 | 1,00 |
| Appropriate lighting in the store | 30 | ,93 |
| Appropriate temperature in the store | 30 | ,90 |
| Appropriate smell in the store | 30 | 1,00 |
| Store looks well-organized | 30 | 1,00 |
| Exhibition of phones looks well-organized | 30 | 1,00 |
| Information brochures available in the store | 30 | ,93 |
| Phones on display are clean | 30 | 1,00 |
| Information available about the price of the phones | 30 | 1,00 |
| Information available about the characteristics of the phones | 30 | ,93 |
| Wide variety of phones available | 30 | ,77 |
| Windows of the store are bright | 30 | 1,00 |
| Offers are visible in the windows | 30 | ,90 |
| Store has security system | 30 | 1,00 |
| Valid N (listwise) | 30 | |

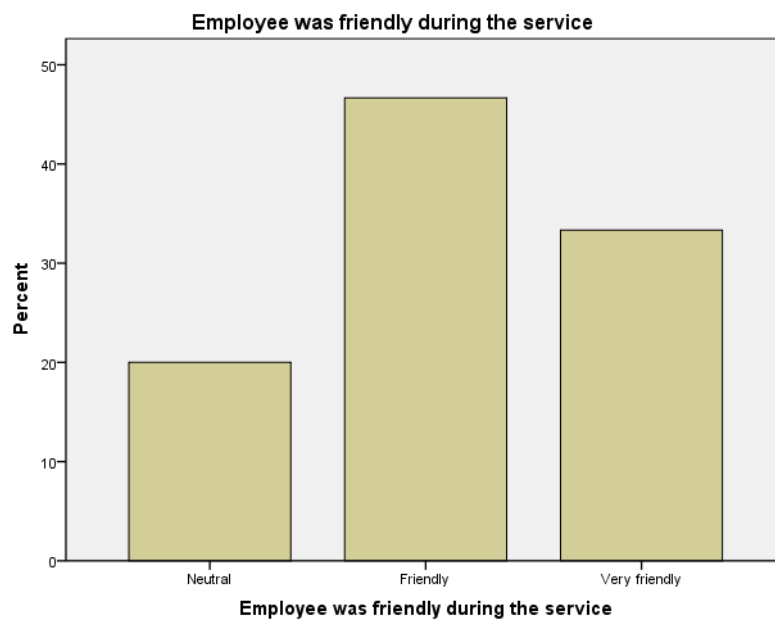
Descriptive Statistics

| | N | Minimum | Maximum | Mean | Std. Deviation |
|----------------------------------|----|---------|---------|------|----------------|
| Number of computers in the store | 30 | 4 | 6 | 5,03 | ,718 |
| Valid N (listwise) | 30 | | | | |

Employee appearance:

Descriptive Statistics

| | N | Mean |
|--|----|------|
| Employee has clean clothing | 30 | 1,00 |
| Employee was friendly when you entered the store | 30 | ,57 |
| Employee was friendly when you left the store | 30 | ,97 |
| Employee was willing to help | 30 | ,97 |
| Employee showed sincere interest | 30 | ,87 |
| Employee took enough time | 30 | ,40 |
| Employee was convincing | 30 | ,73 |
| Employee has sufficient knowledge | 30 | ,93 |
| Employee understands specific needs | 30 | ,90 |
| Employee gives appropriate personal attention | 30 | ,97 |
| Employee is dressed appropriate | 30 | ,77 |
| Employee has name visible on a card | 30 | ,57 |
| Valid N (listwise) | 30 | |



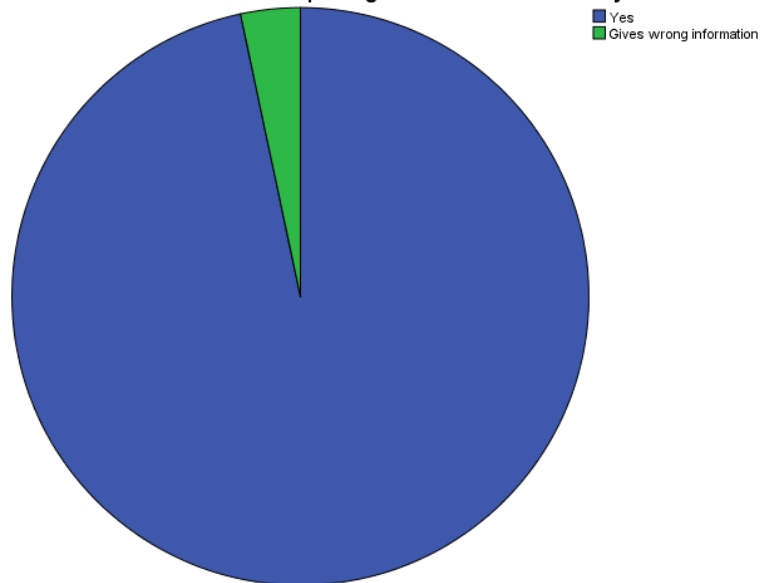
Scenario: employee's questions

Descriptive Statistics

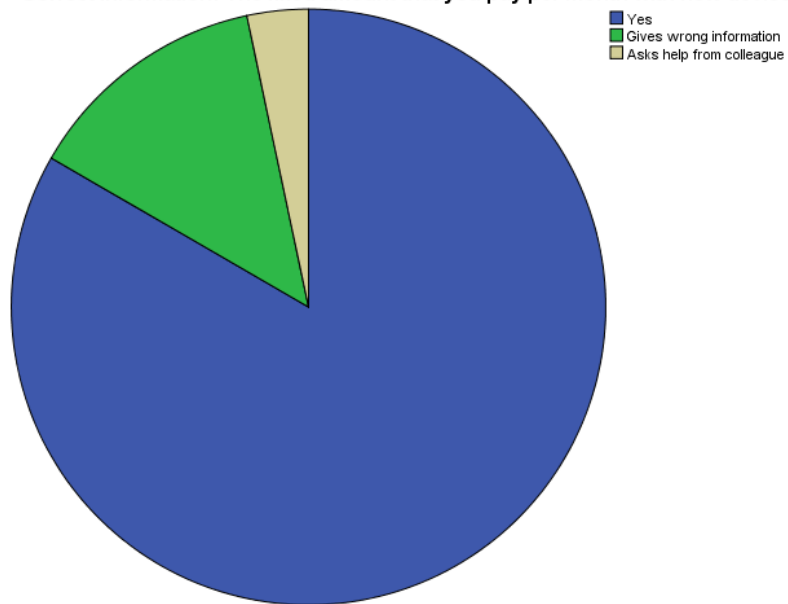
| | N | Mean |
|--|----|------|
| Asks: How much money do you pay per month? | 30 | ,90 |
| Asks: How much money do you want to pay per month? | 30 | ,77 |
| Asks: Do you want a family or individual package? | 30 | ,03 |
| Asks: Do you want to keep the same phone number? | 30 | ,33 |
| Asks: What kind of calls do you make mostly? | 30 | ,33 |
| Asks: Do you want to have a program for sms and mms? | 30 | ,00 |
| Asks: How do you want to pay? | 30 | ,00 |
| Asks: Do you want to have a low tariff to call to landlines? | 30 | ,00 |
| Asks: Do you want to have a new device or keep your current one? | 30 | ,77 |
| Valid N (listwise) | 30 | |

Scenario: employee's knowledge

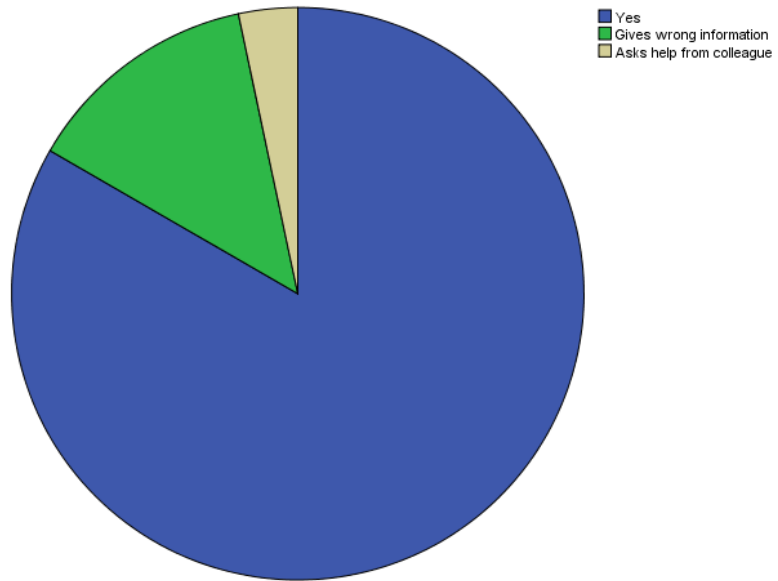
Correct information: The package that is most suitable to your needs



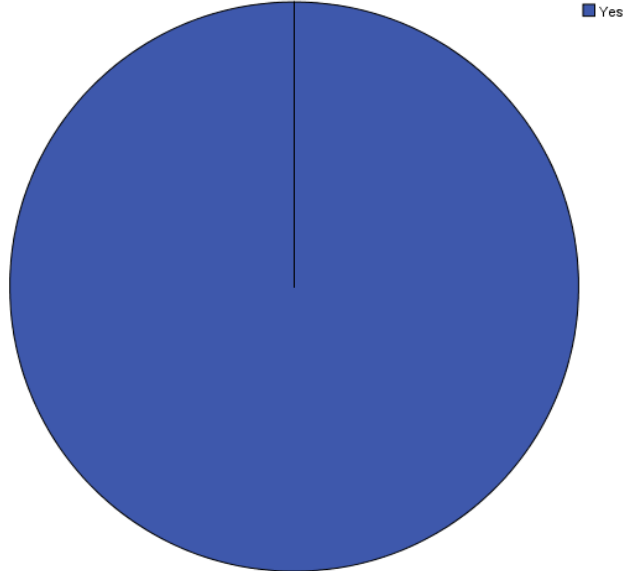
Correct information: The fixed amount that you pay per month with new device



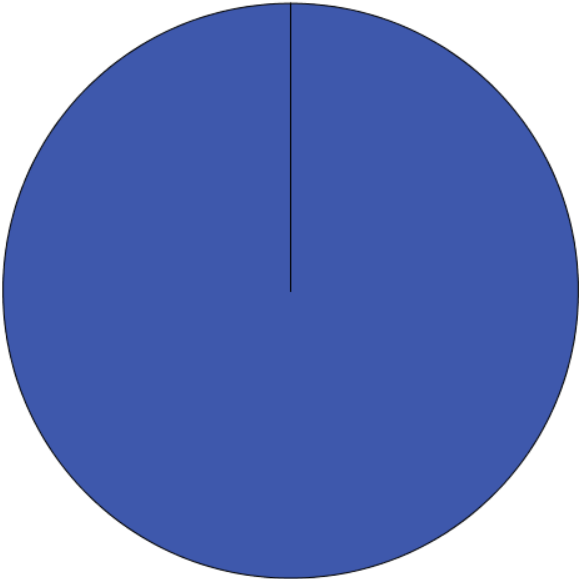
Correct information: The fixed amount that you pay per month without a new device



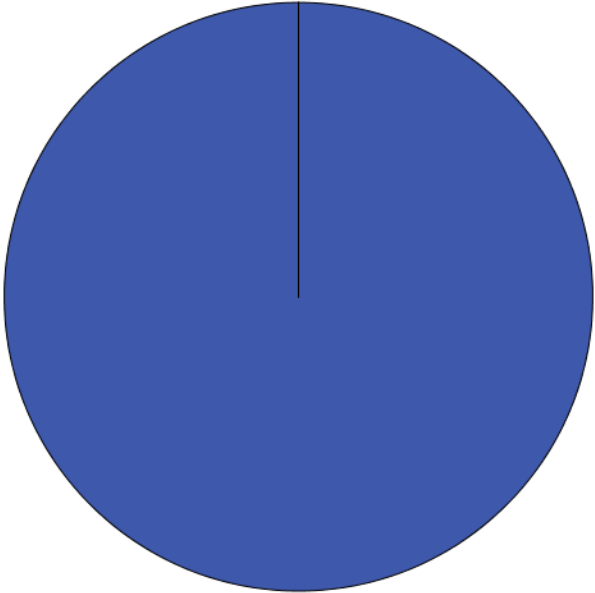
Correct information: The free minutes of speaking to company X and landlines



Correct information: The number of free messages to company X

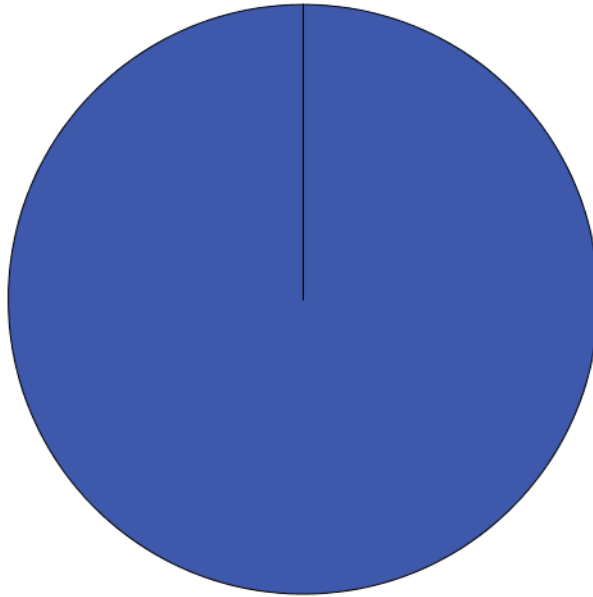


Correct information: The free minutes of speaking to other companies



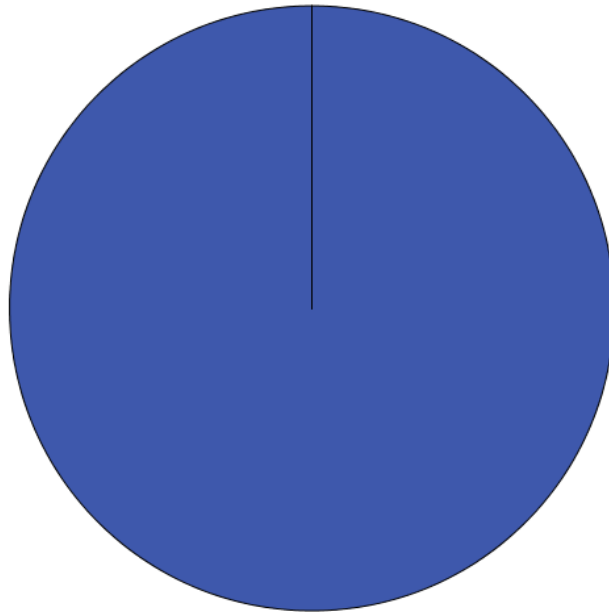
Correct information: The number of free messages to other companies

■ Yes

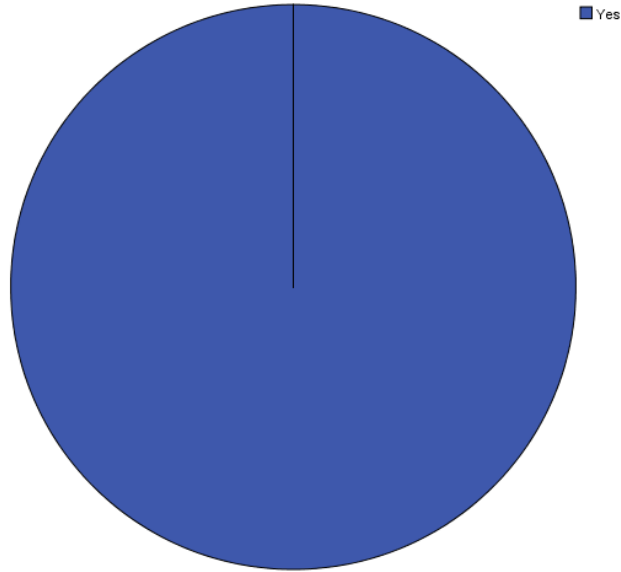


Correct information: The number of free mms to everyone

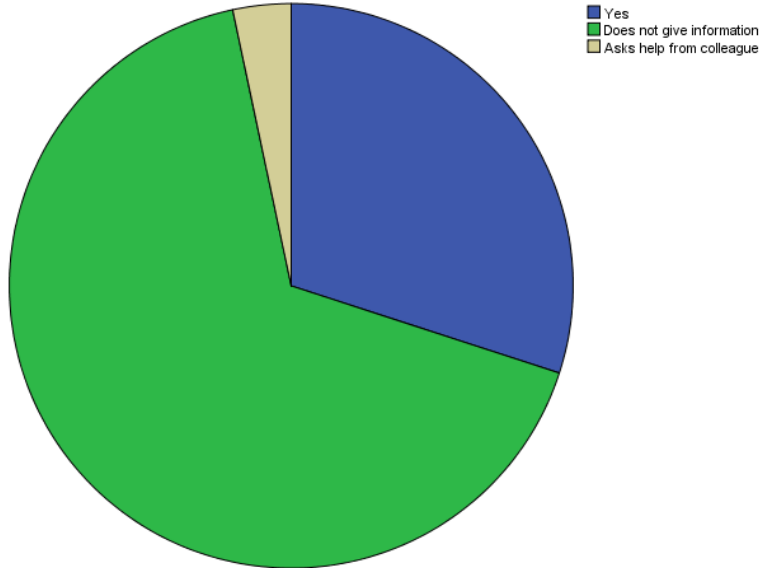
■ Yes



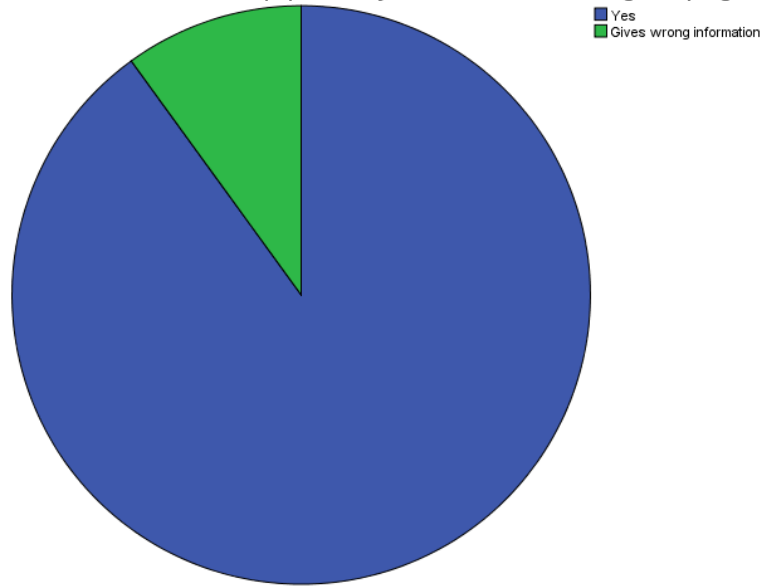
Correct information: The number of MB to use internet from the mobile



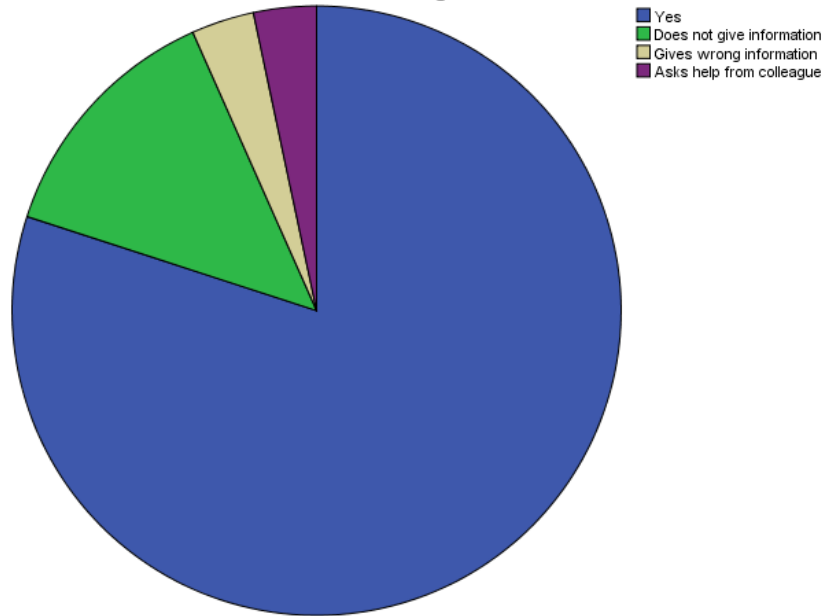
Correct information: The tariff that you pay when you exceed the limit of minutes and messages



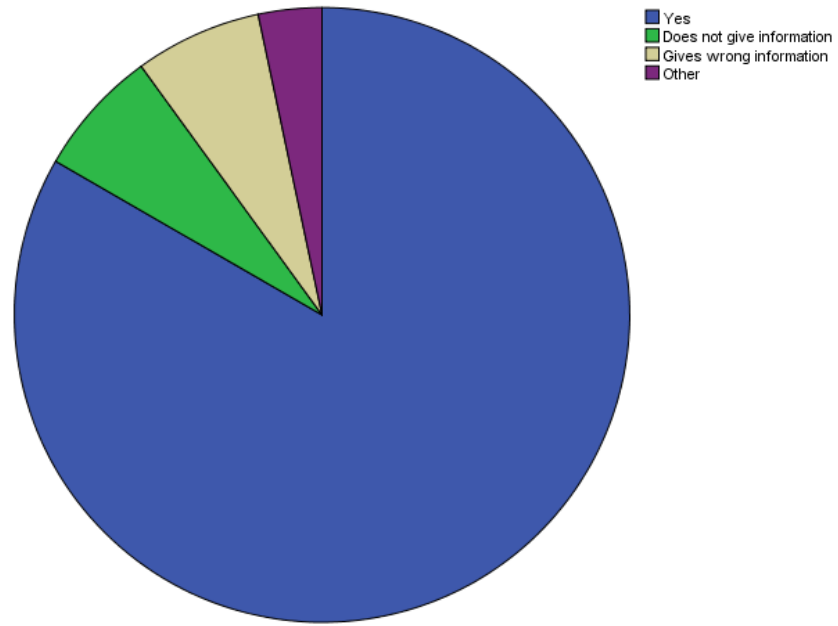
Correct information: The papers that you need in order to change the program



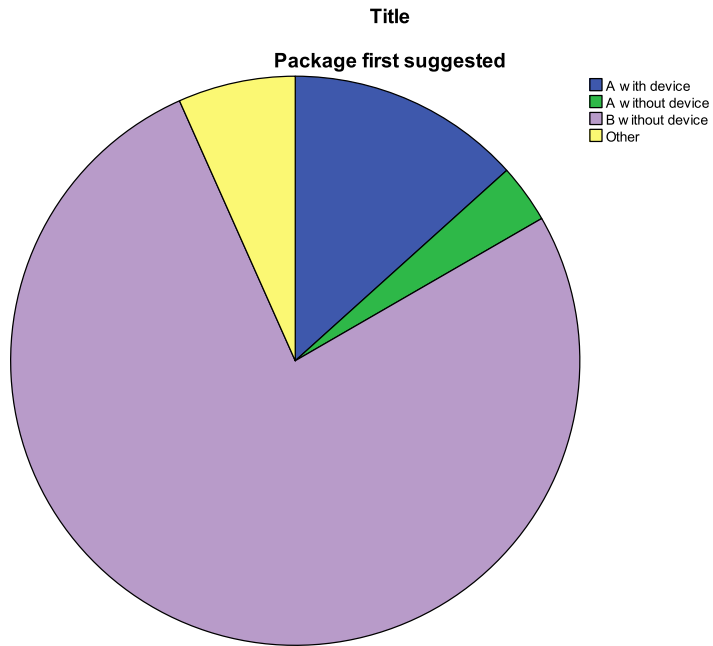
Correct information: How much time should pass in order to terminate the contract and change back to card



Correct information: The possibility to keep unused minutes and messages for the next month

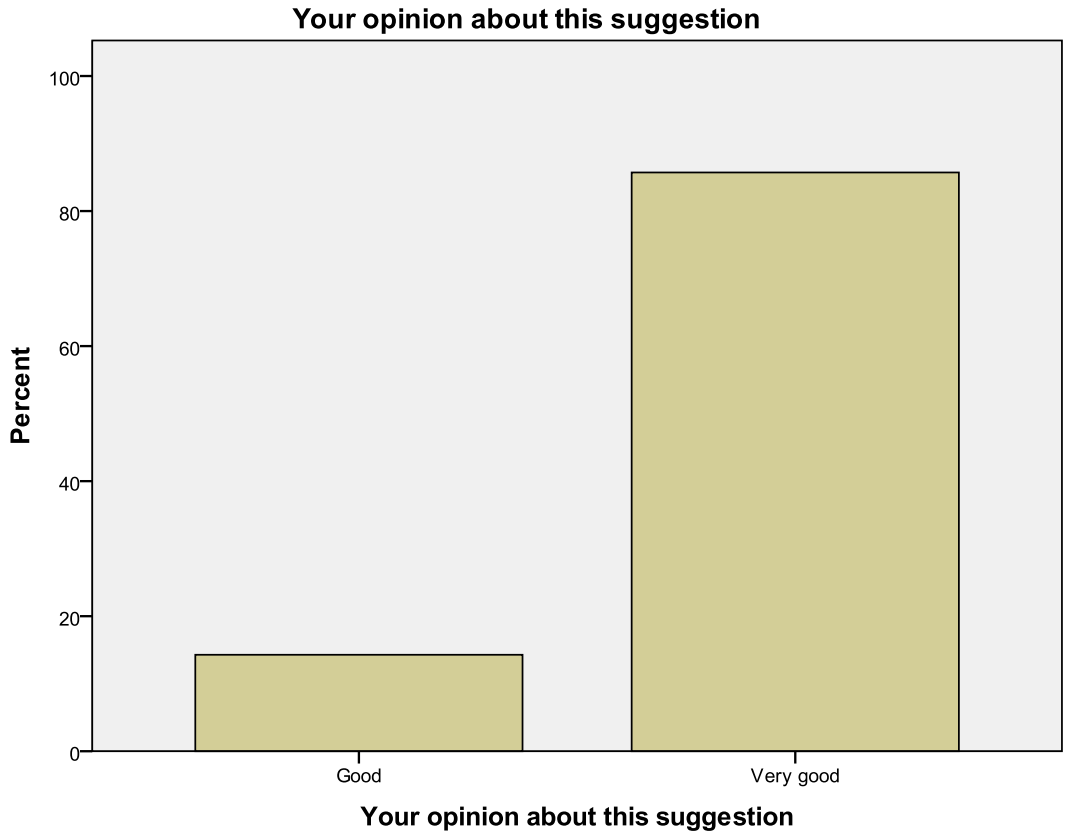


Scenario: miscellaneous

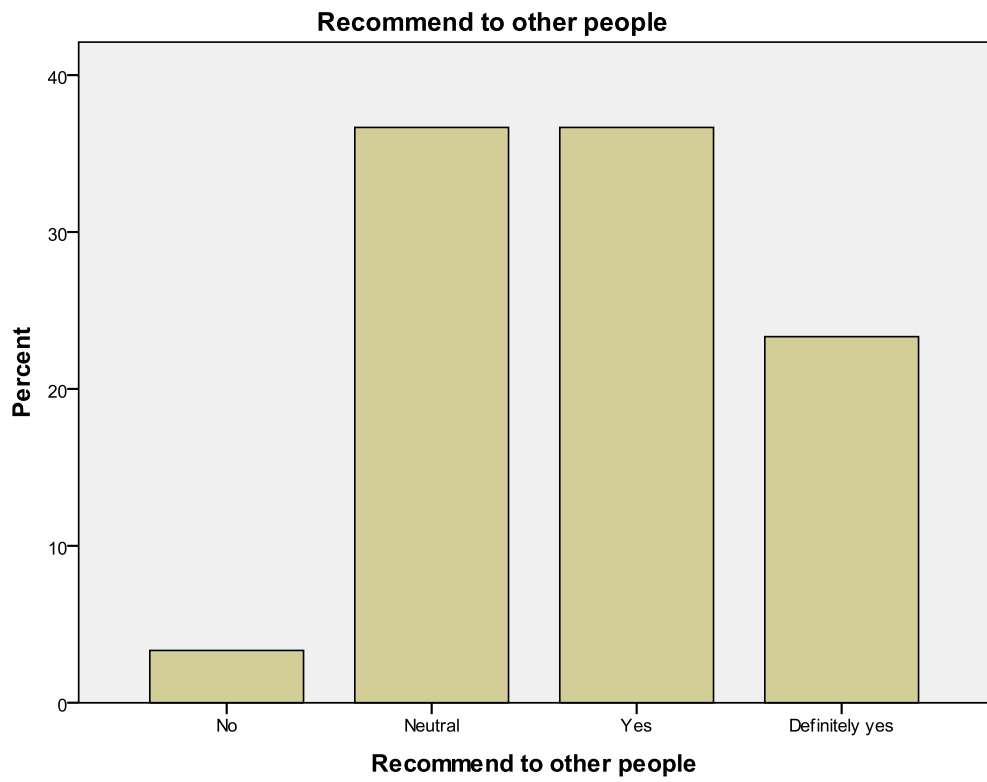
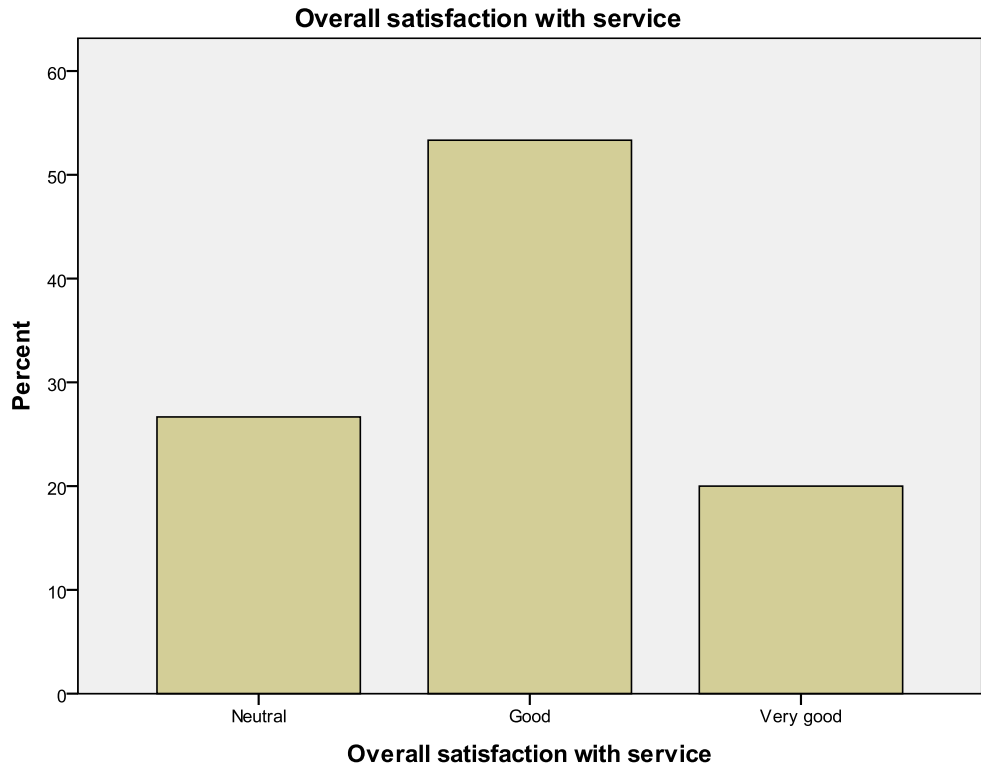


Descriptive Statistics

| | N | Mean |
|--|----|------|
| They gave the brochure | 30 | ,77 |
| Revision in the end | 30 | ,77 |
| Employee asks for name and personal information in the end | 30 | ,20 |
| Employee suggests any other products | 30 | ,53 |
| Valid N (listwise) | 30 | |



Overall experience:



Appendix D: Individual store analysis

Dragoumi store: (average satisfaction rating 5/5)

The environment of the specific store was great and the service too. It is one of the biggest stores in the centre and it followed all the standards of the company. Both mystery shoppers were very satisfied by the service which was provided by different employees. Both staff members were very friendly and willing to help the customers. Likewise, they were very well-informed because they proposed the correct package immediately and gave all the appropriate information. Also, both of them recommended the internet and landline package. The only difference between the employees was that the second one went a step further in the service, by giving the card of the store with her contact details. This move was excellent, because the client could contact with the same employee later on, in order to make the contract.

Venizelou store: (average satisfaction rating 4.5/5)

This store is also among the biggest stores in the centre. It had a very big banner, in order to see the store from far away. Customers had the possibility to take the brochure from outside the store. The store environment gave a very good impression to both mystery shoppers. The experience of the provided service was different for the mystery shoppers, who were served by different employees. During the first visit it was not a busy hour and the employee had a lot of time to give detailed information, for example about all prices and charges. Also, she suggested the combination of B program with the internet and landline package. She gave a very good impression. She provided a perfect service, was very convincing, had a very positive attitude and finally knew everything by heart. During the second visit some differences were observed. First of all, it was a busy hour with many clients waiting. All employees were occupied. The store manager came from the back to help the staff members, in order to reduce the queue. This was very positive for the specific store and for company X in general because they care about the customer. He took enough time to explain all the details, using the brochure. Also, he did not propose any other products of the company, in order to move on to the waiting clients. In general, the manager was very good too. He gave a lot of personal attention, despite the length of the queue. Both mystery shoppers were very satisfied by the service in this store.

Platia Dimokratias store: (average satisfaction rating 4/5)

The environment of this store was very good and very clean. The employee was very well-trained. She understood immediately mystery shoppers' needs and proposed right away the correct package. She knew all the information by heart. The criticism about the specific employee, who was the same in both visits, is that she did not recommend any other products of company X, even there was no queue. Moreover, she was too serious during the service, she was not smiling at all. The difference between the two visits was that only during the first one, the brochure was given to the client. The second mystery shopper left the store without the brochure. Besides these faults, the impression of this store was good for both mystery shoppers.

26 October store: (average satisfaction rating 4/5)

The environment of the specific store was very good. It was very clean and gave to mystery shoppers a great impression. Exception to this was the fact that there was limited amount of information brochures available during the first visit. In this store, the shoppers were served by different employees and they had different experiences. In the first visit the employee made many questions, in order to understand client's needs. She understood right away which the correct package was and gave all the correct information by heart. However, in the end of the service she did not give the brochure to the customer. During the second visit, the employee did not make any questions about customer's needs. As a result, in the beginning she proposed a wrong package. Only after some more information from the customer's side, she suggested the correct one. She provided the correct information from the brochure, which in the end she gave to the client. The similarity between the two visits was that none of the employees proposed any other company X's products. It was unexpected that there were many differences between the services of the two employees. They should follow the standards of company X, in order to provide to all customers similar service.

Aristotelous store: (average satisfaction rating 4/5)

This was one of the few stores that mystery shoppers gave bad evaluation to the store environment. The store was very small and because of its oblong shape and small windows it was very dark. During the first visit, the door was open and the air-condition was switched off, as a result the temperature was too high. In contrast, the service

provided by the employee was very good. Both mystery shoppers were served by the same staff member. She was well-trained and knew all the information by heart. She immediately responded to customers' needs and proposed the correct package right away. It was surprising that even the employee was the same, there were still differences between the two services. Only during the first visit, she suggested other products of company X. The second visit to the store was different. She did not give the appropriate level of personal attention to the customer, because simultaneously she was writing the personal details of another client. On the one side, this was positive, because the mystery shopper did not have to wait. On the other side, it was negative, as she did not give personal attention to the mystery shopper. Although, the environment of the store was not satisfying, the mystery shoppers still gave a high score to overall satisfaction with the store. From this, it is clear that good service is more important than the environment of the store.

Aghiou Dimitriou store: (average satisfaction rating 4/5)

In the specific store, the environment could be better. In both visits, the door was open and there was no air-condition. Also, both mystery shoppers pointed out that there was no information available about the characteristics of the phones. Only the price and the brand were visible. Moreover, there was a small variety of phones, only from the one side of the store. The two mystery shoppers were served by different employees. The respondents had in common that they both stated that the employees were well-trained and from the first moment proposed the right package. Both of the employees gave all the details of the package from the brochure and proposed the combination of B program with internet and landline package. One of the differences between the two employees was that the first one did not wear the official clothing of company X. Furthermore, he was very friendly and willing to help. On the other hand, the second employee seemed a bit bored, for this reason he looked unwilling to help and did not show a sincere interest. Overall, the satisfaction with the provided service was very different between the two shoppers. The first was very satisfied, but the second was not, because of the bored impression that the employee gave.

Aghias Sofias store: (average satisfaction rating 4/5)

The store in Aghias Sofias was a small store, for this reason the windows were too small to show the offers. Another issue was that it did not have a wide variety of

phones available. Besides these negative points, the store environment gave in general a good impression. The two mystery shoppers that visited this store were served by different employees, who gave them contradicting services. The first employee did not take enough time and provided only the basic information, as a result she was not convincing at all. On the other side, during the second visit the employee was very convincing. He was very well-trained, understood customer's needs from the beginning and gave detailed information. He also proposed the combination with landline and internet program, about which he gave detailed information. Although, both employees provided the right information about the package and were well-informed, the overall impression that they gave was very different, for the reasons which mentioned above.

Giannitson- City Gate store: (average satisfaction rating 4/5)

The location of the specific store was very good. It was in a shopping centre with free parking, where it was easy to find a place. The environment of the store was great, it was very big and clean. The mystery shoppers were served by different employees, but their services were almost similar. They were well-trained, had good knowledge and they proposed the right package immediately. Both employees were willing to help the customer and were very friendly during the process. Especially the first employee, who gave the card with his contact details, in order to make the contract with him later on. Also, he was the only employee, in the entire research, who asked about the family or individual package. One difference between the two staff members was that the first told the information about the package from the brochure, whereas the second told it by heart. At the end of the service, both of them gave the brochure to the customer. Another difference was that only the first employee made suggestions about other products of company X. Overall, both mystery shoppers had good experience in this store.

Neapoli store: (average satisfaction rating 4/5)

The specific store was small, but it had a good environment. Only comment is that it did not have a wide variety of mobiles available. In this store, the services were very contradictory. The first employee did not give a good impression to the mystery shopper. In the beginning he could not understand customers' needs, because he made only two questions. For this reason, he proposed a wrong package. After more information from the client's side he understood that B program is the appropriate. He

had knowledge about the package, as he told all the details by heart. He did not give the brochure to the customer. It was positive that he spoke about the combination of B program with landline and internet package. The second employee gave a better impression to the shopper. She was well-trained and had good knowledge. From the beginning, she understood customers' needs and recommended the correct program. She provided all the details by heart, but made a mistake with the price of the program. It was very good that she gave her card with her contact details and asked clients' name and phone number, in order to inform him about new offers. The general experience from the specific store was mixed because of the different services.

Ilioupoli store: (average satisfaction rating 4/5)

The store in Ilioupoli was small but it had a good environment. It was the only small store which had a wide variety of mobiles. The mystery shoppers were served by different employees. They made many questions in order to understand customers' needs and they were well-informed about the package. The first employee provided the correct information from the brochure and afterwards she gave it to the customer to take it with him. It was positive that he informed the client about the landline and internet program. On the other side, it was negative that he was not wearing the official clothing of company X, but his own casual clothes. Moreover, he did not have the card with his name. The second employee told all the details of the program by heart. Afterwards, she wrote some of the basic information about B program on a paper and gave it to the customer. It was negative that she did not give the brochure with all the information and she did not propose other products of the company. In general, this store got a good evaluation from the mystery shoppers.

Mitropoleos store: (average satisfaction rating 4/5)

The store in Mitropoleos was small and did not have a variety of phones. Besides this, the store environment was good. Both employees were friendly and willing to help the mystery shoppers. Both of them had good knowledge and provided the correct information about B program. Likewise, they suggested the combination of B program with landline and internet package and gave the brochure to the clients. One difference between them was that the first staff member provided detailed information about the price of the package in combination with other programs. He did many calculations, but in the end he gave wrong price for B program, which was an important

error. Another difference was that the second employee was not wearing the official clothing. Both mystery shoppers were satisfied by the provided service, but the first was somewhat disappointed about the wrong price that the employee told him.

Egnatia store: (average satisfaction rating 3.5/5)

In this store, both mystery shoppers were served by the same employee. Both shoppers had a good overall impression about the store environment. It was a big store with a lot of open space, for this reason it was easy to go around. It had clean and fresh air. The employee that served both customers gave them the impression that he was a bit bored during the service, because of his quiet and calm voice. As a result, he could not convince the respondents. Another observation was that he was not wearing the company's clothing but his own formal clothes. He did not wear a name card. Besides these issues, he gave a good general impression. He had knowledge about the package and provided the right information. It was very good that he suggested to both mystery shoppers the combination with landline and internet package, in order to pay less for the contract.

Tsimiski Store: (average satisfaction rating 3.5/5)

It was convenient that this store had two entrances, one from Tsimiski and one more from Pavlou Mela. The environment of the store was good, except for the lack of open space. Both shoppers were served by the same employee, but there were some differences between the two services. In the first visit, she gave appropriate information about the package from the brochure and proposed the combination with landline and internet. It was positive that she gave some extra information about the price, which cannot be found in the brochure. In the end, she gave the brochure to the customer. In contrast, during the second visit she told all the information about the package by heart. She did not speak about other products of company X. In the end, she did not give the brochure to the client, which is contrary to the standards of the company. As a result, the mystery shopper could not remember any of the information about the package. The mystery shoppers shared the same impression that the employee looked very tired. She made just the basic questions in order to find the right package. General evaluation of this store was not satisfactory, due to the faults that were made during the two visits.

Xirokrini store: (average satisfaction rating 3.5/5)

The environment of this store was good and it followed all the standards of the company. The mystery shoppers were served by different employees and the services had many contradictions. During the first visit, the employee was well-informed and wanted to help. He proposed the right package and provided all the details from the brochure, which he gave in the end to the customer. The negative aspect of the employee was that he was not wearing the official clothing, but his own casual clothes. On the contrary, the second employee was wearing the company's clothing. She provided all the information by heart and did not use the brochure. At the end, she did not give it to the client. As a result, she gave wrong information about the price, which is one of the most important details. It was unexpected that there were differences between the two employees. They should follow the standards of company X, in order to provide to all customers similar service.

Polichni store: (average satisfaction rating 3.5/5)

The environment of the store was good, even though it was a small store. The first employee did not have sufficient knowledge about the package, she had to ask help from her colleague, in order to answer some of the questions. The second had the knowledge, but he did not ask the necessary questions to understand the mystery shopper's needs. As a consequence, in the beginning he suggested a wrong package. Only after more information from the customer's side, he proposed the right package. He told all the details from the brochure, but he did not give it to the shopper to take it home. In contrast, the first employee gave the brochure to the client. Even though, there was no queue, neither of the employees made suggestions about other products of company X. Generally, the experience of both respondents was not so good.