Table 4. Product Items Customers Commonly Associated with Convenience Stores

Product Category	% of Customers Identifying this With Convenience Stores	Range in % of Customers Identifying this Category Between Competing Convenience Stores
Bread	63	59 - 84
Milk	61	58 - 73
Beverages	36	36 - 43
Cigarettes & Tobacco	17	16 - 18
Snack Foods	16	16 - 18
Newspaper & Magazines	10	8 - 10

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ANOTHER LOOK AT CUSTOMER IMAGE STUDIES

by
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It has been about 15 years since Ricker first used the mail survey rating system to develop customer images of competing supermarkets in market areas. Since that time the technique has been used by Leed, Marion, Watkins, Skinner and others as a means of developing competitive strategy recommendations for food retailing firms. Although some adaptations have been made, the basic format of the questionnaire remains essentially the same with respect to the attribute ratings. (Exhibit 1)

It would seem appropriate at this time to review the "state of the art" in relation to what we have learned about customer perception or image, how the knowledge has been used and how we can improve the technique and its application to the management decision-making process. I will use the technique and results of our latest consumer image survey in Massachusetts as illustrations.

What We Have Learned

Based upon our rating studies in Massachusetts as well as those conducted elsewhere, we can formulate some general conclusions.

1. Relatively high rates of response, usually greater than 30%.

2. Consumer selectivity in evaluation of quality and prices among major product categories.

3. Apparent accuracy of consumer perception of price level differences among firms.

4. Consumer images of particular companies seem to change over time.

5. Consumer image usually differs from management's self-image in at least one respect.

6. The need for localizing the surveys on a trading area basis.

Use of Results

The use of image studies by firm management in modifying competitive strategy and the results obtained are the true test of the value of the technique. There is relatively little information available concerning application and results. Most of the literature has dealt with the mechanics of the technique, the results obtained from the surveys and conceptual analyses of the incorporation of results into firm strategy. The results of these surveys have also been used widely in developing case studies for educational purposes. This is not to say that the surveys have not been useful to management, but that there probably has been little effort to evaluate the use of image study results. In addition, it is difficult to identify and relate changes in competitive strategy to the availability of survey results.

There is evidence, however, that management has used image studies in formulating or revising marketing strategy. In our most recent survey in Massachusetts the firm that sponsored the study indicated that the final decision to implement some major changes in strategy was based upon the survey results which indicated that consumers rated their grocery prices as being substantially higher than those of their major competitor in the test market area.

As a result, the firm has dropped store coupons, reduced grocery prices and increased newspaper advertising in order to achieve a lower grocery price image. Preliminary results show that sales have increased and gross margin in the grocery department has declined by one and one-half percent. Although it is too soon to determine the overall effect on net profit, the firm is absolutely convinced of the value of consumer image studies and plans to conduct similar studies in other trading areas where they are operating supermarkets.

Future Directions

Finally, we need to identify future directions for consumer image studies in terms of the collection and analysis of data and the use and evaluation of results. The following suggestions and questions may be relevant.

1. How large do sample sizes need to be?

2. The computer can facilitate the analysis of data and reduce the cost.

3. How can the relative importance of the various attributes of image be determined?

4. The need to develop formalized procedures for evaluating the use of image studies in revising the competitive strategy of food retailing firms.

I hope that this paper will serve to stimulate additional research that will enable food retailing firms to respond to consumer needs more effectively through consumer image surveys.

Exhibit 1*

Please rate the food stores listed below that you are familiar with.

Here is the rating system we would like you to use.

(A) Excellent
(B) Good
(C) Fair
(D) Poor

Circle either A, B, C, or D
for each rating.

Example:

	Store X	Store Y
Weekly specials and coupons	A B (C) D	A (B) C D

	A & P Parker St.	A & P North Main St.	ARMATA'S Allen St.	BIG-Y Parker St.	BIG-Y North Main St.	FOOD MART Cooley St.	SHOPRITE Cooley St.
Meat quality	A B C D	A B C D	A B C D	A B C D	A B C D	A B C D	A B C D
Meat prices	A B C D	A B C D	A B C D	A B C D	A B C D	A B C D	A B C D
Fresh fruit and vegetable quality	A B C D	A B C D	A B C D	A B C D	A B C D	A B C D	A B C D
Fresh fruit and vegetable prices	A B C D	A B C D	A B C D	A B C D	A B C D	A B C D	A B C D
Grocery prices	A B C D	A B C D	A B C D	A B C D	A B C D	A B C D	A B C D
Assortment of merchandise	A B C D	A B C D	A B C D	A B C D	A B C D	A B C D	A B C D
Convenience of store location	A B C D	A B C D	A B C D	A B C D	A B C D	A B C D	A B C D
Weekly specials and coupons	A B C D	A B C D	A B C D	A B C D	A B C D	A B C D	A B C D
Store layout	A B C D	A B C D	A B C D	A B C D	A B C D	A B C D	A B C D
Courtesy and friendliness	A B C D	A B C D	A B C D	A B C D	A B C D	A B C D	A B C D
Cleanliness and neatness	A B C D	A B C D	A B C D	A B C D	A B C D	A B C D	A B C D
Checkout Service	A B C D	A B C D	A B C D	A B C D	A B C D	A B C D	A B C D

*Letter ratings converted to numerical values on basis of A = 1, B = 2, C = 3 and D = 4.

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