Cape Peninsula
University of Technology

CONSUMER PERCEPTIONS OF SERVICE QUALITY OF LARGE CLOTHING RETAILERS IN THE CAPE METROPOLITAN AREA

by

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Dissertation submitted in fulfilment of the requirements for the degree

Master of Technology: Marketing Management

in the Faculty of Business

at the Cape Peninsula University of Technology

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Cape Town
November 2011

DECLARATION

I, Marelize Keevy, declare that the contents of this dissertation represent my own unaided work, and that the dissertation has not previously been submitted for academic examination towards any qualification. Furthermore, it represents my own opinions and not necessarily those of the Cape Peninsula University of Technology.

Signed	**Date**

ABSTRACT

South Africa's retail sector is competitive, and is characterized by a tough and uncertain business environment (Barlow, 2002:21). Amidst such challenges, Dotson and Patton (1992:15-28) found that retailers do not deliver desired services to their customers. To ensure competitive survival, retailers should differentiate themselves and continuously seek ways to maximize the value that they offer to their customers (Parikh, 2006:45-55). Service quality has been identified by Berry (1986:1-9) as the most basic strategy for retailers to create competitive advantages and to improve customers' shopping experience.

This study focuses on determining consumer perceptions of service quality of large clothing retailers within the Cape Metropolitan area, with the aim of identifying areas for improvement, as well as service quality determinants, which are most important to consumers.

Secondary objectives include: to establish consumer expectations in terms of service quality determinants; to establish, which areas of service quality require improvement; to provide recommendations to improve service quality based on findings from the study, and to compare consumer perceptions of service quality amongst ad hoc shoppers against those who have accounts (credit facilities) at various retail stores.

Quantitative research was conducted by means of face-to-face survey research, and includes results from 120 questionnaires. Interviews, which took the form of store intercepts, were conducted outside the entrance of selected retail stores, and took place during the last week of March. Stores were selected through random multi-stage sampling, while respondents were selected through a systematic sampling process. A descriptive research design was used. The content of the questionnaire was developed based on Dabolkar, Thorpe and Rentz's (1996:3-16) RSQS structure, which captures the dimensions of service quality in retail stores. Data was analyzed by using SPSS software, and was presented numerically by making use of charts.

The major findings of the study relates to levels of consumer satisfaction with the existing levels of service quality delivered by large clothing retailers within the Cape Metropolitan area for ad-hoc shoppers, as well as account holders. The findings of this study could bring about new strategies for the improvement of service quality among large clothing retailers in the Cape Metropolitan area. These strategies will contribute towards creating a competitive advantage through the use of service quality, and will ultimately contribute towards the long-term success of large clothing retailers within the Cape Metropolitan area.

ACKNOWLEDGEMENTS

I wish to thank:

- Mrs Diane Bell, my supervisor, for her valued guidance, dedication and patience.
- Mr Rodney Duffett, my co-supervisor, for his assistance, input and continuous enthusiasm.
- All the staff at CPUT who contributed towards the completion of this dissertation.
- My husband, parents and sister, for their sincere interest, encouragement and support.

CONTENTS

Declaration ii
Abstract iii
Acknowledgements iv
List of Figures ix
List of Tables x
Keywords xi
Glossary xii

CHAPTER 1 : INTRODUCTION 1

1.1 Introduction 1
1.2 Problem statement 2
1.2.1 Background to research problem 2
1.2.2 Research problem statement 2
1.3 Preliminary literature review 3
1.3.1 Consumer perceptions 3
1.3.2 Service quality 3
1.3.3 Measuring service quality (models) 3
1.3.3.1 SERVQUAL 4
1.3.3.2 Retail service quality scale (RSQS) 4
1.3.4 South African clothing sector and retail industry 4
1.4 Delimitations of the study 5
1.5 Purpose and objectives 6
1.5.1 Primary objective 6
1.5.2 Secondary objectives 6
1.6 Research question 6
1.6.1 Primary research question 6
1.6.2 Secondary research questions 7
1.7 Research design and methodology 7
1.8 Significance of the study 8
1.9 Outline of the report structure 9
1.10 Summary 9

CHAPTER 2 : LITERATURE REVIEW 10

2.1 Introduction 10
2.2 Consumer perception 10
2.2.1 Consumer perception defined 10
2.2.2 Consumer perception explained 10
2.2.2.1 Selection of stimuli 11
2.2.2.2 Organisation of stimuli 11
2.2.2.3 Interpretation of stimuli 12
2.3 Service quality 12
2.3.1 Service quality defined 12
2.3.2 Retail service quality defined 13
2.3.3 Need for service quality 14
2.3.4 Benefits of service quality 14
2.4 Measuring service quality (models) 15
2.4.1 SERVQUAL 15
2.4.1.1 Empirical research using SERVQUAL 17
2.4.1.2 Limitations regarding the use of SERVQUAL 18
2.4.2 Retail service quality scale (RSQS) 18
2.4.2.1 Physical aspects 19
2.4.2.2 Reliability 20

2.4.2.3 Personal interaction 20
2.4.2.4 Problem solving 20
2.4.2.5 Policy 20
2.4.2.6 Empirical research using RSQS 22
2.4.2.7 Limitations regarding the use of RSQS 23
2.5 South African clothing sector 24
2.5.1 Surge in imports from China 24
2.5.2 Employment crisis 25
2.5.3 Principle competitive challenges 26
2.5.4 South African clothing retail industry 26
2.6 Summary 29

CHAPTER 3 : RESEARCH METHODOLOGY 30

3.1 Introduction 30
3.2 Research design 30
3.3 Sample design 31
3.4 Questionnaire design 34
3.5 Pilot study 35
3.6 Data collection 36
3.7 Data analysis 37
3.8 Ethical considerations 37
3.9 Summary 37

CHAPTER 4 : SUMMARY OF FINDINGS 39

4.1 Introduction 39
4.2 Respondents' shopping behaviour 39
4.2.1 Account holding 39
4.2.2 Clothing retailer frequented most often 40
4.2.3 Frequency of shopping 40
4.2.4 Hours spent during an average shopping session 41
4.3 Dimensions of the RSQS structure 42
4.3.1 Service quality satisfaction 42
4.3.1.1 Service quality of large clothing retailers 42
4.3.1.2 Importance of service quality 43
4.3.1.3 Similarity of merchandise and price versus service quality 43
4.3.1.4 Willingness to pay more at a store that offers better service quality 44
4.3.1.5 Clothing retailer facilities 45
4.3.1.6 Delivering customer service within agreed time frame 45
4.3.1.7 Knowledgeable employees and prompt service 46
4.3.1.8 Individual attention to customers 46
4.3.1.9 Handling of customer complaints 47
4.3.1.10 Interest in solving customer complaints 48
4.3.1.11 Convenient parking 48
4.3.1.12 Acceptance of credit cards 49
4.3.2 Service quality dimensions 49
4.3.2.1 Physical aspects 50
4.3.2.2 Reliability 51
4.3.2.3 Personal interaction 51
4.3.2.4 Problem solving 52
4.3.2.5 Policy 53
4.4 Overall importance of service quality determinents 54
4.5 Non-performance of large clothing retailers 55
4.6 Demographic information 55
4.6.1 Ethnicity 55
4.6.2 Age 56

4.6.3 Income 57
4.7 Summary 57

CHAPTER 5 : DISCUSSION AND ANALYSIS 58

5.1 Introduction 58
5.2 Consumer perceptions of service quality 58
5.2.1 Service quality of large clothing retailers 58
5.2.2 Importance of service quality 59
5.2.3 Similarity of merchandise and price versus service quality 60
5.2.4 Willingness to pay more at a store that offers better service quality 60
5.2.5 Clothing retailer facilities 61
5.2.6 Delivering customer service within agreed time frame 62
5.2.7 Knowledgeable employees and prompt service 63
5.2.8 Individual attention to customers 63
5.2.9 Handling of customer complaints 64
5.2.10 Interest in solving customer complaints 64
5.2.11 Convenient parking 65
5.2.12 Acceptance of credit cards 66
5.3 Service quality determinants most valued by consumers 66
5.3.1 Physical aspects 66
5.3.2 Reliability 67
5.3.3 Personal interaction 68
5.3.4 Problem solving 68
5.3.5 Policy 69
5.4 Overall importance of service quality dimensions 70
5.5 Service quality determinants retailers should improve on 70
5.6 Perceptions of service quality of ad-hoc shoppers compared to account holders 71
5.6.1 Respondents' shopping behaviour 71
5.6.2 Account holders and ad-hoc shoppers' perceptions of service quality 72
5.6.2.1 Service quality of large clothing retailers 72
5.6.2.2 Importance of service quality 72
5.6.2.3 Similarity of merchandise and price versus service quality 72
5.6.2.4 Willingness to pay more at a store that offers better service quality 73
5.6.2.5 Clothing retailer facilities 73
5.6.2.6 Delivery of customer service within agreed time frame 73
5.6.2.7 Knowledgeable employees and prompt service 73
5.6.2.8 Individual attention to customers 73
5.6.2.9 Handling of customer complaints and interest in solving customer complaints 74
5.6.2.10 Convenient parking and acceptance of credit cards 74
5.6.3 Service quality determinants most valued by account holders and ad-hoc shoppers 74
5.6.4 Overall importance of service quality dimension for account holders and ad-hoc shoppers 75
5.6.5 Service quality determinants that retailers should improve on for account holders and ad-hoc shoppers 75
5.7 Summary 75

CHAPTER 6 : CONCLUSIONS AND RECOMMENDATIONS 77

6.1 Introduction 77
6.2 Consumer perceptions of service quality 77
6.3 Importance of service quality dimensions 78
6.3.1 Physical aspects 79
6.3.2 Reliability 79
6.3.3 Personal interaction 80
6.3.4 Problem solving 80
6.3.5 Policy 81

6.4 Overall importance of service quality dimensions 81
6.5 Service quality determinants that retailers should improve on 81
6.6 Perceptions of service quality of ad-hoc shoppers compared to account holders 82
6.6.1 Account holders and ad-hoc shoppers' perceptions of service quality 82
6.6.2 Service quality determinants that are most valued by account holders and ad-hoc shoppers 82
6.6.3 Overall importance of service quality dimension for account holders and ad-hoc shoppers 83
6.6.4 Service quality determinants that retailers should improve on for account holders and ad-hoc shoppers 84
6.7 Conclusion 84

REFERENCES 86

APPENDIX A: ETHICAL CLEARANCE CERTIFICATE 91

APPENDIX B: RESEARCH QUESTIONNAIRE 92

APPENDIX C: PERMISSION LETTER 94

LIST OF FIGURES

Figure 2-1: Service quality model 16
Figure 2-2: RSQS structure 21
Figure 2-3: Growth of Chinese imports 25
Figure 3-1: Selection of retail stores 32
Figure 4-1: Account holding 39
Figure 4-2: Clothing retailer frequented most often 40
Figure 4-3: Frequency of shopping 41
Figure 4-4: Hours spent during an average shopping session 41
Figure 4-5: Service quality of large clothing retailers 42
Figure 4-6: Importance of service quality 43
Figure 4-7: Similarity of merchandise and price versus service quality 44
Figure 4-8: Willingness to pay more at a store that offers better service quality 44
Figure 4-9: Clothing retailer facilities 45
Figure 4-10: Delivering customer service within agreed time frame 45
Figure 4-11: Knowledgeable employees and prompt service 46
Figure 4-12: Individual attention to customers 47
Figure 4-13: Handling of customer complaints 47
Figure 4-14: Interest in solving customer complaints 48
Figure 4-15: Convenient parking 48
Figure 4-16: Acceptance of credit cards 49
Figure 4-17: Physical aspects 50
Figure 4-18: Reliability 51
Figure 4-19: Personal interaction 52
Figure 4-20: Problem solving 53
Figure 4-21: Policy 54
Figure 4-22: Overall importance of service quality determinents 54
Figure 4-23: Non-performance of large clothing retailers 55
Figure 4-24: Ethnic group 56
Figure 4-25: Age 56
Figure 4-26: Monthly income 57

LIST OF TABLES

Table 2-1: Research using SERVQUAL 17
Table 2-2: RSQS structure 21
Table 2-3: Research using RSQS 22
Table 2-4: Retailer operating profits before tax (R million) 25
Table 2-5: Trading brands of holding companies 27
Table 2-6: Summary of retailers 28
Table 3-1: Suburbs within the Cape Metropolitan area 32
Table 3-2: List of large clothing retailers 33
Table 3-3: Survey distribution 36

KEYWORDS

Clothing Store
Consumer
Consumer Perception
Customer
Retailer
Retail Service Quality
Retail Store
RSQS
Service
Service quality
SERVQUAL

GLOSSARY

Term	Definition
CMT	Cut-make-and-trim (Vlok, 2006:241).
Perception	The process by which an individual selects, organises, and interprets stimuli into a meaningful and coherent picture of the world (Berelson & Steiner, 1964:88).
Pareto Principle	Also known as the 80/20 principle, 80% of the effects come from 20% of the causes (Narula, 2005:12).
Retailing	The activities involved in the sale of goods and services to consumers for their personal, family, or household use (Berman & Evans, 2001).
RSQS	Retail Service Quality Scale. A scale developed to measure retail service quality (Dabolkar, Thorpe & Rentz, 1996:3-16).
Service	All the activities which create a bond between organisations and their clients or customers. The extent of the service component varies from organisation to organisation, but everyone ultimately has a role in service (Yao, 2006:2).
Service Quality	Service quality is a global judgement or evaluation relating to the overall excellence or superiority of a number of service-related attributes (Parasuraman, Zeithaml & Berry, 1988:12-40).
SERVQUAL	A scale developed by Parasuraman, Zeithaml & Berry (1985:41-50) to measure service quality.
SMME	Small, Medium and Micro Enterprise (Vlok, 2006:239).

CHAPTER 1 : INTRODUCTION

1.1 Introduction

The South African clothing retail market consists of a considerable number of national players. The largest three retailers are Wooltru, Edcon and Foschini, which were selected by the Competition Tribunal Republic of South Africa (2003). According to Vlok (2006:228), the top five retailers in South Africa account for over 70% of formal clothing sales. One can, therefore, assume that the largest portion of the population shop at either one of these stores, and that the service quality delivered by these stores has a direct impact on these consumers. For this reason, this study focuses specifically on large clothing retailers.

Michon, Yu, Smith and Chebat (2008:456-468) found that malls show an increase in their focus on female clothing. It has been said that female consumers require more time to make purchase decisions than male consumers (Heebner, 2006:66-70), hence retailers consider females as their most valuable clients. Kawabata and Rabolt (1999:213-223) indicate that this is particularly true for clothing retail, where female consumers have an interest in fashion, and spend a substantial amount of money and effort on clothing shopping.

Little research has been directed towards researching the clothing shopping behaviour of consumers in South Africa, hence little is known about it (Du Preez, 2003:11-14). Even though service quality has a significant impact on customer satisfaction (Nguyen & Hau, 2007:15-23), and is the most basic retailing strategy for retailers to create competitive advantages (Berry, 1986:1-9), Dotson and Patton (1992:15-28) assert that desired service levels are not delivered by department stores to their customers.

The delivery of high levels of service quality holds many benefits for retailers: it enhances customers' shopping experience (Reichheld & Sasser Jr., 1990:105-111); it is a significant predictor of customer loyalty-related intentions (Bitner, 1990:69-82 & Fullerton, 2005:9-111); and it increases customers' purchase intentions, store loyalty, favourable word-of-mouth recommendations (Mc Alexander, Kalenburg, & Koening, 2004:34-40) and repurchase behaviour (Woodside, Frey & Daly, 1989:5-17).

In order to improve service quality, it should be monitored and measured (Gaur & Agrawal, 2006:317-330). Finn and Lamb (1991), Gagliano and Hathcote (1994) and Boshoff and Terblanche (1997) are a few of many researchers who have proposed and evaluated service quality models and instruments to measure service quality. The two most well-known models used to measure service quality are SERVQUAL and RSQS. SERVQUAL was developed as a generic model of service quality, while the RSQS instrument was developed to measure retail service quality, specifically. SERVQUAL has been applied in a retail store context only a limited number of times, while the RSQS scale has been applied successfully in the South African retail environment by Boshoff and Terblanche (1997:123-128), and was, therefore, applied in this study.

1.2 Problem statement

1.2.1 Background to research problem

Due to the competitiveness of South Africa's clothing retail industry and the increase in the value consciousness of consumers (Yao, 2006:2), retailers should search for ways to optimise the value that they provide to their customers. The competitive nature of the industry is forcing clothing retail stores to concentrate on differentiation in order to gain competitive advantage over opposition in order to retain existing customers, attract new customers, and ultimately increase their chances of long-term survival.

A number of studies indicate that the provision of service quality is the most basic retailing strategy for retailers to create competitive advantage and to enhance their customers' shopping experience (Berry, 1986:1-9; Reichheld & Sasser Jr., 1990:105-111; Siu & Cheung, 2001:88-96). According to Yao (2002:3), customer service also plays an important role in the performance of the business.

Evidence suggests that many department stores fail to provide desired services (Dotson & Patton, 1992:15-28). Desired services can be explained as "the 'wished for' level of service quality that a customer believes can and should be delivered" (Lovelock & Wirtz, 2007:21).

1.2.2 Research problem statement

This study aims to determine consumer perceptions of service quality of large clothing retailers within the Cape Metropolitan area in order to identify areas for improvement, as well as service quality determinants that consumers value the most.

1.3 Preliminary literature review

1.3.1 Consumer perceptions

Perception can be explained as an individual process, which is dependent on internal factors, as well as characteristics of a stimulus and the context in which it is seen or heard (Belch & Belch, 2004:113-114). Cravens and Piercy (2006:106) identify stimuli in the marketing context as advertising, personal selling, price and product.

Berelson and Steiner's (1964:88) definition of perception is used for the purpose of this study. They define perception as "the process by which an individual selects, organises, and interprets stimuli into a meaningful and coherent picture of the world".

1.3.2 Service quality

It has been found that service quality is one of the most investigated topics in the marketing discipline (Laccobucci, 1998:1-96). For the purpose of this study, Parasuraman *et al*. (1998:12-40) define service quality as "a global judgement or evaluation relating to the overall excellence or superiority of a number of service-related attributes". Due to their contributions in the field of service quality, their definition of service quality is used for this study.

There is a significant difference between service quality in the retail industry and service quality in a pure service setting (Dabolkar *et al*., 1996:3-16), since in a retail setting retailers are likely to have more impact on service quality than on product quality.

Service quality has many benefits, and can be used to increase value for the consumer. It can help with consumer satisfaction, retention, and patronage (Kaul, 2005:3), and is perceived as a means of positioning in a competitive environment (Mehta, Lalwani & Han, 2000:62-72).

1.3.3 Measuring service quality (models)

A range of models exist to measure service quality. SERVQUAL (Parasuraman *et al*., 1988:12-40) and RSQS (Dabolkar *et al*., 1996:3-16) are the most widely used models which measure service quality, hence concepts and literature related to these two prominent models are used for this study.

1.3.3.1 SERVQUAL

SERVQUAL is recognised particularly for measuring service quality in "pure" service settings (Dabolkar *et al*., 1996:3-16), and was developed in 1985 by Parasuraman *et al*. (1988:12-40). The scale has only been applied in a retail store context a limited number of times.

SERVQUAL proposes a gap-based conceptualisation of service quality. Consumer expectations of service and actual service performance are measured to assess the 'gap'. Theoretically, this gap assessment assumes that a consumer benchmarks the statement of desired attribute levels to assess store service performance (Carman, 1990:33-55). Service quality is good when customers' perceptions of service performance meet or exceed their expectations of what the service firm should provide.

1.3.3.2 Retail service quality scale (RSQS)

Based on SERVQUAL, Dabholkar *et al*. (1996:3-16) developed RSQS, an instrument, which measures retail service quality specifically. Boshoff and Terblanche (1997:123-128) found RSQS to be reliable to measure retail service quality in South African department stores.

Dabholkar *et al*. (1996:3-16) found five basic dimensions that are central to service quality. The dimensions include physical aspects, reliability, personal interaction, problem solving and policy. Through using performance-based measures only, they found that their scale possessed strong validity and reliability, and adequately captured customers' perceptions of retail service quality.

1.3.4 South African clothing sector and retail industry

The South African clothing sector comprises large firms, SMMEs, home industries, as well as a cut-make-and-trim (CMT) industry. The top five retailers in the country contribute towards more than 70% of formal clothing sales (Vlok, 2006:228). Clothing manufacturing is an important sector in South Africa owing to its job-creating capacity. The sector also requires a relatively unskilled labour force and offers entry-level jobs, which make it an important employer in poor communities and of unskilled workers for whom few other opportunities exist. South Africa's labour rates are higher, and a less flexible labour market in terms of labour costs when compared to competitor countries.

The market for garments, textile products and shoes in South Africa has expanded significantly in recent years (Vlok, 2006:231). However, there are a couple of major issues that the South African clothing industry faces. Amongst others, these issues include imports from China, an employment crisis, a lack of investment in the industry, illegal imports, and a shortage of domestically produced fabrics.

Retailing is a challenging sector in South Africa (Yao, 2002:1) because of the uncertainty and competitiveness that exists within it. Consumers have also become more demanding, and retailers should continuously maximize the value that they offer to their customers (Yao, 2002:2). Being able to offer a competitive advantage has become important in the long-term success of a retailer.

In a study, which was conducted by Michon *et al*. (2008:456-468), it was found that malls focus increasingly on clothing, and emphasise female clothing. The average female consumer spends more money and energy on clothing shopping than men (Kawabata & Rabolt, 1999:213-223) and, consequently, women are considered by retailers as their most valuable clients.

1.4 Delimitations of the study

This study was conducted in the Cape Metropolitan area, and might not be representative of the Western Cape, or the country as a whole. As the study focuses on large clothing retailers, and small clothing retailers were not examined, the results are not representative of small clothing retailers. Three retailers were selected to represent large clothing retailers, namely Foschini, Woolworths and Edgars and, consequently, the results of the study are based on the findings related to these three large clothing retailers only. Furthermore, since research has indicated that retailers consider women as their most valuable clients, based on the amount of money and energy that they spend on clothing, and their interest in fashion (Kawabata & Rabolt, 1999:213-223), this study focuses specifically on females and is, therefore, unrepresentative of the perceptions and expectations of males relating to service quality at large clothing retailers.

The Indian/Asian population were represented by only a small number of participants. This could skew the results for this particular ethnic group. Similarly, only a small percentage of participants fell in the 60 years and older age group, which could potentially influence the representation of this age group.

1.5 Purpose and objectives

Based on the aforementioned statement of the research problem in section 1.2.2 above, the main aim of this study is to determine consumer perceptions of service quality of large clothing retailers within the Cape Metropolitan area. The objectives of the study are outlined below.

1.5.1 Primary objective

- To determine the perceptions of customers regarding service quality delivered by large clothing retailers in the Cape Metropolitan area.

1.5.2 Secondary objectives

- To establish consumer expectations relating to service quality of large clothing retailers in terms of service quality determinants;
- To establish, which areas of service quality relating to large clothing retailers require improvement;
- To provide recommendations to improve service quality delivered by large clothing retailers in the Cape Metropolitan area based on findings from the study; and
- To compare consumer perceptions of service quality of ad hoc shoppers against those who have accounts (credit facilities) at retail stores.

The purpose of this study was to identify areas of service quality of large clothing retailers that require improvement, as well as to establish consumer expectations of service quality. This will assist clothing retailers to formulate strategies to minimise the gap between services delivered by them, and service quality that is expected by consumers. These strategies will support clothing retailers to achieve a competitive advantage through the use of service quality.

1.6 Research question

1.6.1 Primary research question

What are consumers' perceptions of service quality of large clothing retailers within the Cape Metropolitan area?

1.6.2 Secondary research questions

- What do consumers expect in terms of service quality?
- Which service quality determinants do consumers value the most?
- Which service quality determinants should retailers improve?
- Is there any difference in the perceptions of service quality between ad hoc shoppers and account holders?

1.7 Research design and methodology

This study attempts to determine consumer perceptions of service quality of large clothing retailers within the Cape Metropolitan area. It focuses specifically on female shoppers owing to the results of a study by Kawabata and Rabolt (1999:213-223) who indicate that retailers deem women as their most important clients based on the considerable amount of money and energy that they spend on clothing, and their interest in fashion. The three largest players in the ladies wear market of South Africa are Foschini, Woolworths and Edgars and, therefore, for the purpose of this study, these three retailers represent large clothing retailers.

The study was conducted from a quantitative perspective only and, therefore, it can be said that a positivist research approach was used. Through survey research, 120 questionnaires were completed by means of face-to-face intercept surveys, which were conducted from Monday to Thursday during the last week of March 2011. These interviews took the form of store intercepts, where respondents were intercepted outside the entrance of pre-selected retail stores within the Cape Metropolitan area. A systematic sampling process was followed for store intercepts, where the interviewer approached every second person as they left the store, and who was in possession of a branded bag from one of the large clothing retailers. Retail stores were selected by using a random multi-stage sampling technique.

The research design was descriptive and, therefore, the research leads to a better understanding of the existing situation. The population consisted of all Foschini, Woolworths and Edgars clothing stores within the Cape Metropolitan area, and the sample unit was represented by a respective Foschini, Woolworths or Edgars clothing store. The sample element was a female shopper at one of the pre-selected shopping malls situated within the Cape Metropolitan area. A confidence level of 95% was used for this study.

The content of the questionnaire was developed based on Dabolkar *et al.*'s RSQS structure, which captures the dimensions of service quality in retail stores. The questionnaire was pre-tested to identify mistakes that needed correcting in order to achieve desired results. The pre-test focused on wording and question order, as well as the ability of respondents to understand the meaning of the questions. It identified whether questions should be reworded, replaced or eliminated and determined if instructions for interviewers were adequate.

Data was analyzed by making use of SPSS software, and is presented numerically in CHAPTER 4 in the form of tables and charts.

1.8 Significance of the study

Through research, Dotson and Patton (1992:15-28) found that department stores do not succeed in offering desired services to their customers, and that little is known about the clothing shopping behaviour of consumers in South Africa. This study gives insight into consumer perceptions of service quality of large clothing retailers based on consumer expectations of service quality, and service quality elements that consumers deem most important. Additionally, this study compares consumer perceptions of service quality of ad-hoc shoppers to those who have accounts in order to ascertain if there is any difference in the way that they perceive the service quality that is offered by large clothing retailers.

The findings of the study will lead to new strategies for the improvement of service quality among large clothing retailers in the Cape Metropolitan area, and will contribute to the long-term success of large clothing retailers within the Cape Metropolitan area. The benefits of the study can be listed as follows:

- Provide insight into consumer perceptions of service quality for large clothing stores;
- Provide insight into consumer expectations of service quality for large clothing stores;
- Identify how customers evaluate service quality and what can be done to measure and improve it in order to improve quality of service to compete successfully in the global marketplace;
- Contribute to retail development;
- Results can be valuable for the formulation of training of sales personnel, sales and marketing campaigns, and general business development; and
- Assist large clothing retailers to properly assess and improve their service performance.

1.9 Outline of the report structure

The report structure can be outlined as follows:

Chapter 1: Introduction and background;

Chapter 2: Literature review;

Chapter 3: Research methodology;

Chapter 4: Summary of findings;

Chapter 5: Discussion and analysis; and

Chapter 6: Conclusion and recommendations.

1.10 Summary

An introduction provided background information to the study field, explaining the necessity of conducting research. The problem statement was then summarised to describe the essence of the research problem. The problem statement was followed by a brief summary of the literature review, which explains service quality and models that can be used to measure it. The literature review also summarised the South African clothing sector and retail industry in order to give the reader a perspective of the nature of the industry. This section was followed by a summary of the delimitations of the study, and the purpose and objectives of the study, which gave the reader an understanding of what the researcher wants to accomplish with the study. The research questions were listed, followed by a review of the significance of the study. The significance of the study outlined why the research should be conducted in terms of adding to the body of knowledge. Lastly, an outline of the structure of the dissertation was provided.

CHAPTER 2 : LITERATURE REVIEW

2.1 Introduction

This chapter begins by explaining consumer perception – what it means and how it is formed. Secondly, this chapter focuses on service quality and retail service quality, explaining what the need for it is, and what benefits the correct application of it can create, followed by a discussion of models that are used to measure service quality. Lastly, this chapter discusses various aspects of the South African clothing sector and the South African clothing retail industry.

2.2 Consumer perception

This study aims to determine consumer perceptions of service quality. It is, therefore, important to understand what consumer perceptions are, and how they are formed. This section focuses on defining and explaining consumer perception.

2.2.1 Consumer perception defined

Perception is an individual process, which is dependent on internal factors such as a person's beliefs, experiences, needs, moods and expectations. The perceptual process is also influenced by the characteristics of a stimulus and the context in which it is seen or heard (Belch & Belch, 2004:113-114). Cravens and Piercy (2006:106) point out that in the marketing context, stimuli include advertising, personal selling, price and the product, and that perceptions form attitudes.

For the purpose of this study, Berelson and Steiner's (1964:88) definition of perception will be used, namely "the process by which an individual selects, organises, and interprets stimuli into a meaningful and coherent picture of the world".

2.2.2 Consumer perception explained

Perception is formed by three processes or aspects: (1) selection of stimuli; (2) organisation of stimuli; and (3) interpretation of stimuli (Belch & Belch, 2004:113-114). These processes are highly individual, and are based on a person's own needs, values and expectations. Consequently, separate individuals will select, organise, and interpret these stimuli differently

- even when exposed to the same stimuli under the same conditions (Kanuk & Schiffman, 2004:158).

The three aspects of perception can be summarised as follows:

2.2.2.1 Selection of stimuli

Consumers exercise selectivity as to which stimuli they perceive in a subconscious manner, and only a small fraction of stimuli which they are exposed to are received. The stimuli that is selected, is influenced by three aspects, which are outlined below.

- The nature of the stimuli itself – Marketing stimuli include a number of variables that affect a consumer's perception. Some of these variables include the nature of the product, its physical attributes, the package design, the brand name, the advertisements and commercials, and so on. Contrast is the most persuasive attribute of a stimulus in terms of attracting attention;
- Previous experience, which affects expectations – People tend to see what they expect to see. What they expect to see is based on previous experience, familiarity, and preconditioned set. In a marketing context, products and product attributes are perceived according to customers' own expectations; and
- Motives at the time – People have a greater awareness of stimuli that are relevant to their needs and interests and a decreased awareness of stimuli that are irrelevant to those needs. An individual's perceptual process will pay more attention to those elements in the environment that are important to that person (Kanuk & Schiffman, 2004:168-172).

2.2.2.2 Organisation of stimuli

Stimuli that are selected from the environment are organised into groups and perceived as unified wholes. Perceptual organisation has three basic principles, which are outlined below.

- Figure and ground – People tend to organise their perceptions into figure-and-ground relationships. The figure is perceived as well defined, solid, and in the forefront, while the ground is perceived as indefinite, hazy, and continuous. The figure is perceived more clearly because of the contrast to its ground. The perception of a figure-ground pattern can be influenced by prior pleasant or painful associations with one or the other element in isolation.

- Grouping – Individuals tend to group stimuli in order to form a unified picture or impression. The perception of stimuli as groups of information rather than discrete bits of information facilitates the individual's memory and recall.
- Closure – Individuals express their need for closure by organising their perceptions to form a complete picture. When an individual is exposed to an incomplete stimulus, the missing pieces will be filled in (consciously or subconsciously) to enable the individual to perceive it as complete. Incomplete messages or tasks are better remembered than completed ones (Kanuk & Schiffman, 2004:172-176).

2.2.2.3 Interpretation of stimuli

The interpretation of stimuli is an individualized process, which is influenced by internal psychological factors. "It is based on what individuals expect to see in light of their previous experience, on the number of plausible explanations that they can envision, and on their motives and interests at the time of perception" (Kanuk & Schiffman, 2004:167-169). The interpretation and meaning of an incoming stimulus also depends on the nature of the stimulus (Belch & Belch, 2004:113-114). Past experiences, as well as social interactions form expectations that create categories, which individuals can use to interpret stimuli. When stimuli are vague, individuals tend to interpret them to serve to fulfil personal needs, interests or wishes (Kanuk & Schiffman, 2004:167-169).

This section has discussed various aspects relating to perception – what it means, and how it is formed. The next section examines service quality, which is one of the most important topics explored in this study.

2.3 Service quality

Service quality is the focal theme of this study and, therefore, it is important to understand what it means, why there is a need for it, and what benefits it can create. As this study revolves around large clothing retailers, knowledge of service quality within the retailing context is also discussed in the section below.

2.3.1 Service quality defined

Service quality has been defined in numerous ways by various researchers. It has become a significant subject as a result of increasingly demanding consumers. For the purpose of this study, Parasuraman *et al.*'s (1998:12-40) definition of service quality is used. They have conducted numerous studies in the field of service quality, and were the inventors of

SERVQUAL, which is one of the most renowned scales to measure service quality. They describe service quality as a global judgement or evaluation relating to the overall excellence or superiority of a number of service-related attributes.

2.3.2 Retail service quality defined

Service quality is one of the most investigated constructs in the marketing discipline (Laccobucci, 1998:1-96). However, there is strong evidence that many department stores fail to offer desired services (Dotson & Patton, 1992:15-28).

Service quality in the retail industry differs considerably from a pure service setting (Dabolkar *et al.*, 1996:3-16). In a retail setting, especially retail stores where there is a mix of products and services, retailers are likely to have more impact on service quality than on product quality (Dabolkar *et al.*, 1996:3-16). Since such effects can be created by retailers, service quality is a significant roleplayer, which creates quality perceptions (Nguyen & Hau, 2007:15-23).

Service quality has a significant impact on customer satisfaction (Nguyen & Hau, 2007:15-23). Achieving competitive advantage through quality requires an understanding of the quality requirements from customers' perspectives (Hansen & Bush, 1999:119-130). "In the retail context, perceptions of service encounters accumulate over time and a customer's relationship with an organisation is a continuation of exchanges or interactions, both past and present (Czepiel, 1990:13-21)". Customers evaluate retail service by comparing their perceptions of the service that they receive with their expectations. When the perceived service meets or exceeds their expectations, customers are satisfied. When they feel that the service falls below their expectations, customers are dissatisfied (Levy & Weitz, 2005:16).

Improving service quality is believed to improve profitability and enhance retail store performance. Such improvements require monitoring and continuous measurement of performance along service dimensions that determine standards of service quality (Gaur & Agrawal, 2006:317-330). Over the years, many researchers have proposed and evaluated alternative service quality models and instruments to measure service quality. While considerable efforts have been directed to developing and validating research instruments to measure service quality in the service sector, little research has considered service quality in the retail sector. The uniqueness of services that are offered by a retailer makes it mandatory that care should be taken while selecting and using scales to measure service quality in the retail store context. Nothing will benefit retailers more than an accurate and valid measure of service quality that helps them to measure their performance along the key dimensions of retail service. Such a measure will help them to evaluate their performance and take corrective action wherever it is required.

Cook and Walters (2001:161) suggest that clear customer service objectives would be:

- To increase the customers' utility of the basic product by adding support services;
- To create interest in a product group and to increase customers' satisfaction from a purchase by demonstrating its application and other potential uses;
- To create additional customer traffic;
- To increase the range and value of customer purchases;
- To use services to increase customer convenience; and
- To use service to increase sales and profits.

2.3.3 Need for service quality

The retail environment is becoming increasingly competitive, characterised by intensifying global competition, sophisticated customer demands and increased sensitivity to service (Bitner, Brown & Meuter, 2000:138-149). To ensure competitive survival, it has become essential for retailers to differentiate themselves in ways that are meaningful to their customers (Parikh, 2006:45-55). It has been proven that service quality is the most basic retailing strategy for retailers to create competitive advantages and to enhance customers' shopping experience (Berry, 1986:1-9; Reichheld & Sasser Jr., 1990:105-111; Siu & Cheung, 2001:88-96). Service quality has been identified as a tool to improve retailers' performance in the market through increasing value for the consumer; and as a means to ensure consumer satisfaction, retention, and patronage (Kaul, 2005:3). In service organisations, customer-perceived service quality is considered as one of the key determinants of business performance (Parikh, 2006:45-55).

All of these statements illustrate the importance of service quality, and why it is essential for large clothing retailers to deliver high levels of service quality. In later chapters, this study determines what retailers should do to achieve high levels of service quality.

2.3.4 Benefits of service quality

Service quality is perceived as a means to position within a competitive environment (Mehta, Lalwani & Han, 2000:62-72) through enhancing customer satisfaction (Sivadas & Baker-Prewitt, 2000:73-82). Research has proven that service quality is a significant predictor of customer loyalty-related intentions (Bitner, 1990:69-82; Fullerton, 2005:9-111), and that relationships are built on a foundation of service quality (Fullerton, 2005:9-111).

Providing high quality service is vital to increase customers' purchase intentions, store loyalty, favourable word-of-mouth recommendations (Bitner, 1990:69-82; Mc Alexander, Kalenburg & Koening, 2004:34-40), and repurchase behaviour (Woodside, Frey & Daly, 1989:5-17). When customers are satisfied with high quality service, business firms increase their market share, and ultimately enhance their overall financial performance (Finn & Lamb, 1991:483-490; Sirohni, McLaughlin & Wittink, 1998:223-245), have higher customer retention (Bennet & Higgins, 1988), and expanded market share (Bowen & Hedges, 1993:21-28). These benefits can be enjoyed by large clothing retailers if they focus on delivering high levels of service quality.

The following section continues with the topic of service quality, and investigates tools to measure service quality. The section describes existing models that are used to measure service quality, explain how these models work, describe how they have been applied in the past, and explain what their limitations are.

2.4 Measuring service quality (models)

A range of models which measure service quality have been proposed and applied in different contexts. The literature review indicates that SERVQUAL (Parasuraman *et al*., 1988:12-40) and RSQS (Dabolkar *et al*., 1996:3-16) are the most extensively used measures of service quality in the retail context. Therefore, for the purpose of this study, concepts and literature related to these two prominent models, are presented.

2.4.1 SERVQUAL

SERVQUAL was developed in 1985 by Parasuraman *et al*. (1988:12-40). An exploratory investigation was conducted, which was aimed at defining service quality and developing a generic model for service quality. Their investigation indicated that consumers evaluate service quality by using virtually similar criteria - regardless of the type of service (Parasuraman *et al*., 1985:41-50). This criterion was labelled as "service quality determinants", and service quality was defined through 10 dimensions namely access, communication, competence, courtesy, credibility, reliability, responsiveness, security, tangibles and understanding the customer. Parasuraman *et al*. (1988:12-40) also conclude from their study that consumers evaluated service quality by comparing expectations to performance on these ten basic dimensions.

In a revised scale, only three of the original ten components, namely reliability, tangibles and responsiveness remained distinct, while the remaining seven components merged into two aggregate dimensions of assurance and empathy. The result was a 22-question scale termed SERVQUAL, which measures five basic dimensions of reliability, responsiveness, empathy, assurance and tangibles, both on expectations and performance.

The five service quality dimensions can be summarised as follows:

- *Tangibles* - physical facilities, equipment, and appearance of personnel;
- *Reliability* - ability to perform the promised service dependably and accurately;
- *Responsiveness* - willingness to help customers and provide prompt service;
- *Assurance* - knowledge and courtesy of employees and their ability to inspire trust and confidence; and
- *Empathy* - caring, individualised attention that the firm provides its customers.

SERVQUAL proposes a gap-based conceptualisation of service quality. Actual service performance and original consumer expectations of the store service are explicitly measured to assess the 'gap.' Conceptually, this gap assessment assumes that a consumer benchmarks the statement of desired attribute levels to assess store service performance (Carman, 1990:33-55). Good service quality means that customers' perceptions of service performance meet or exceed their expectations of what the service firm should provide.

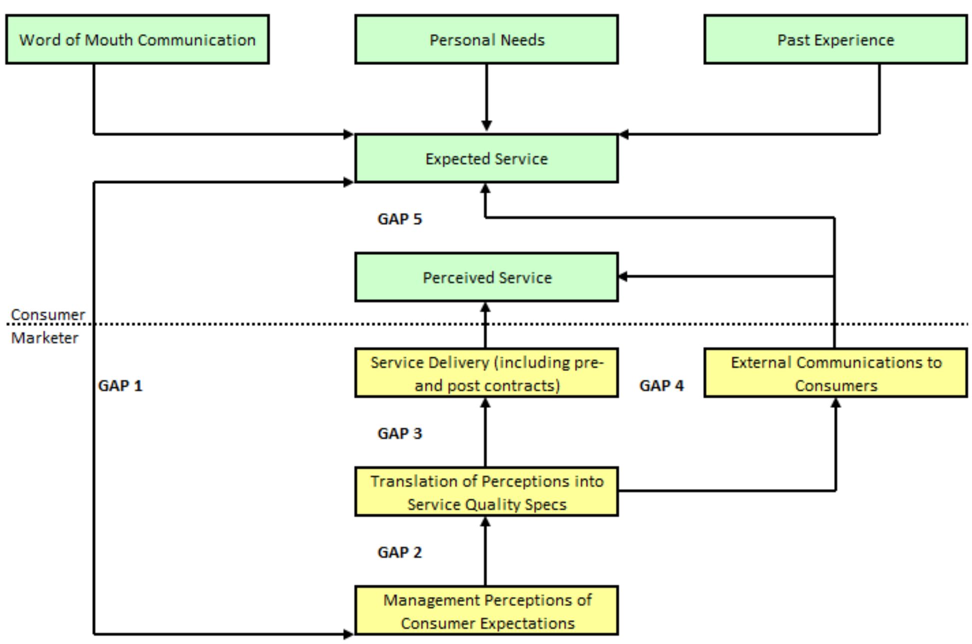


Figure 2-1: Service quality model

(Adapted from Parasuraman, Zeithaml & Berry, 1985:41-50)

The above model indicates that there are five gaps, which occur in the internal process of service delivery that influences consumer perceptions of quality. The basic premise is that service quality can be defined by the difference between perceived service and expected service (Parasuraman *et al*., 1985:41-50). The first four gaps are on the service provider's side of service, while gap five is on the customer's side of service. These gaps are (1) the difference between what management perceived that the customer expected and what customers expected; (2) the difference between management's perceptions of customer expectations and the translation of those perceptions into service quality specifications; (3) the difference between actual service quality specifications and the delivery of those specifications to customer service actually delivered; (4) the difference between the services delivered to customers and external communications about the service; and (5) the difference between customer expectations and perceptions.

SERVQUAL is the most widely known and acknowledged scale, which measures service quality in various "pure" service settings (Dabolkar *et al*., 1996:3-16). Pure service settings offer services only, excluding any physical products. Though the scale has seen only a limited application in a retail store context, it nonetheless remains one of the many areas where SERVQUAL has been applied to measure service quality.

2.4.1.1 Empirical research using SERVQUAL

Below is a summary of the most relevant research that has been conducted by making use of SERVQUAL**.**

Table 2-1: Research using SERVQUAL

Researcher/s	Industry	Findings
Carman (1990:33-55)	Tyre retailers	The five dimensions of SERVQUAL were not generic, and suggested that the instrument should be adapted by adding new attributes or factors that are relevant to different situations.
Finn and Lamb (1991:483-490)	Different types of department stores and discount stores	SERVQUAL could not be used as a valid measure of service quality in retail companies without modifications, although they were unable to provide an acceptable alternative measure.
Guiry, Huchinson and Weitz (1992)	Retail stores	The number, as well as the composition of the dimensions needed to be modified, while studying service quality of retail stores.
Gagliano and Hathcote (1994:60-69)	Retail-clothing sector	The original SERVQUAL scale was not an effective tool to measure service quality in apparel specialty stores.
Teas (1994:132-139)	Discount stores	Considering ideal points instead of expectations gives better results when measuring service quality.

From the above table it is clear that SERVQUAL produced various limitations when it was applied in a retail context, and that the scale needed modification to be successfully applied in a retail context. The major limitations of this scale are discussed in the following section.

2.4.1.2 Limitations regarding the use of SERVQUAL

Although the SERVQUAL instrument was applied in studies of various types of service industries, it has been criticised in terms of certain aspects, which are shown below.

- The 5 dimension configuration of the scale (Bakabus & Boller, 1992:253-268) - the delineation of the five SERVQUAL factors is not consistent in cross-sectional analysis (Carman, 1990:33-55);
- The SERVQUAL scale captures less than the full spectrum of issues and attributes on which consumers evaluate service quality (Brady & Cronin, 2001:34-49);
- The scale's applicability to a retail setting (Reeves & Bednar, 1994:419-445) and different service industries (Bakabus & Boller, 1992:253-268) – SERVQUAL was developed primarily to assess service quality for pure service environments (Dabolkar *et al*., 1996:3-16). In order to suit a retail context, customization of the SERVQUAL scale would involve the consideration of some new items that are added, and/or changing the wording of some of the items already in the scale (Finn & Lamb, 1991:483-490); and
- The applicability of SERVQUAL across different cultures - SERVQUAL was developed in a western environment and, owing to cultural differences, it is likely that cultural factors will influence its applicability.

2.4.2 Retail service quality scale (RSQS)

Based on SERVQUAL, Dabholkar *et al*. (1996:3-16) proposed an instrument, which measures retail service quality, specifically. The unique characteristics of store retailing imply that parameters that define service quality in retailing differ from any other service (Finn & Lamb, 1991:483-490; Gagliano & Hathcote, 1994:60-69). Therefore, instruments that are developed to measure service quality in "pure" service setups (setups offering no physical products), could prove to be problematic when applied in a retail store context.

Recognizing the need to investigate the dimensions of service quality in retail stores and developing a scale to measure retail service quality, Dabholkar *et al*. (1996:3-16) tracked the thought processes of customers during an actual shopping experience at a store. Combined with existing literature and SERVQUAL, Dabholkar *et al*. (1996:3-16) developed RSQS.

Through using only performance-based measures, they found that their scale possessed strong validity and reliability, which adequately captured customers' perceptions of retail service quality.

In their opinion, five basic dimensions were central to service quality. The dimensions include physical aspects, reliability, personal interaction, problem solving and policy. These dimensions were expected to be distinct, but highly correlated. As an improvement over SERVQUAL, the physical aspects dimension, as proposed in RSQS, had a broader meaning compared to the tangibles dimension of SERVQUAL (Dabholkar *et al*., 1996:3-16).

Dabholkar *et al*. (1996:3-16) contend that retail service quality had a hierarchical factor structure, where overall service quality is viewed as a higher or second order-factor. The proposed measure of retail service quality, RSQS, included 28 items, of which 11 items came from the researchers' literature review and qualitative research, and 17 from the existing SERVQUAL scale. Five items from SERVQUAL were deemed inappropriate and hence omitted.

RSQS has five dimensions and six sub-dimensions. The five dimensions (second-order factors) include physical aspects, reliability, personal interaction, problem solving, and policy. These dimensions capture distinct, though correlated aspects of retail service. Each of the first three dimensions has two sub-dimensions. These six sub-dimensions (first-order factors) include appearance, convenience, promises, doing-it-right, inspiring confidence, and courteousness/helpfulness (Kaul, 2005:5).

The five dimensions are explained below.

2.4.2.1 Physical aspects

Physical aspects refer to the physical appearance of facilities and the convenience of store layout and public areas. Retail literature suggests that store appearance is important to retail customers (Baker, Dhruw & Parasuraman, 1994:328-339), and that customers value the convenience of shopping, considering what physical aspects such as store layout offer (Oliver, 1981:25-48; Gutman & Alden, 1985:99-114; Mazursky & Jacoby, 1985:139-153; Hummel & Savitt, 1988:5-21). The sub-dimensions of *physical aspects* are appearance (statements 1 to 4 in the scale) and convenience (statements 5 and 6 in the scale).

2.4.2.2 Reliability

Reliability refers to the store's ability to keep their promises and act honourably. Customers view reliability as a combination of keeping promises (Dabolkar *et al.*, 1996:3-16). Westbrook (1981:68-85) found that availability of merchandise is also a measure of reliability. The sub-dimensions of reliability are promises (statements 7 and 8 in the scale) and doing it right (statements 9 to 11 in the scale).

2.4.2.3 Personal interaction

Personal interaction refers to whether the retail store's personnel is friendly and helpful, and the extent to which they instil confidence and trust. The sub-dimensions of *personal interaction* are service employees inspiring confidence (statements 12 to 14 in the scale) and being courteous/helpful (statements 15 to 20 in the scale).

2.4.2.4 Problem solving

Problem solving refers to the retail store's personnel's capability to handle returns and exchanges, manage customers' problems and handle complaints. Service recovery is recognised as a critical part of good service (Hart, Heskett & Sasser, 1990:148-156; Kelley & Davis, 1994:52-61). Westbrook (1981:68-85) found that customers were quite sensitive to how service providers attend to their problems and complaints. Westbrook (1981:68-85) and Mazursky and Jacoby (1985:139-153) also mention that the ease of returning and exchanging merchandise is important to retail customers.

2.4.2.5 Policy

Policy involves the retail store's policy on merchandise quality, convenient parking, operation hours, and credit cards. This dimension captures aspects of service quality that are directly influenced by store policy such as high-quality merchandise, convenient parking, convenient store hours, acceptance of major credit cards, and availability of a store credit card.

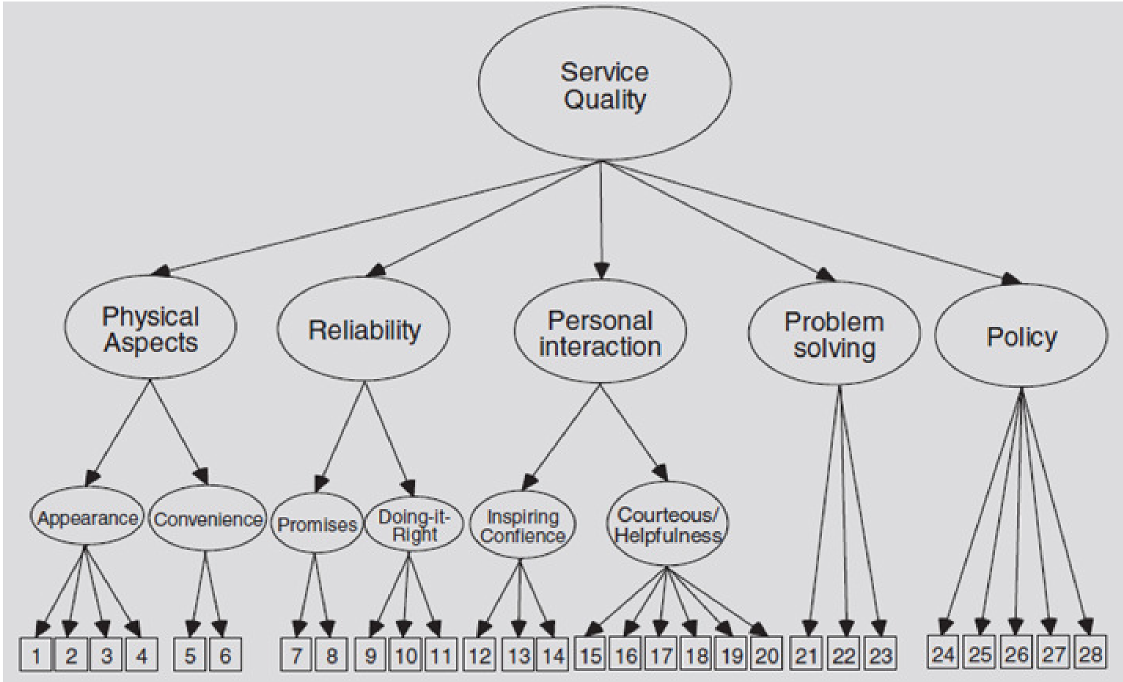


Figure 2-2: RSQS structure

(Adapted from Kaul, 2005:5)

Table 2-2: RSQS structure

Dimension 1: Physical aspects		
Sub-dimension 1: Appearance	1.	The store has modern-looking equipment and fixtures.
	2.	The store and its physical facilities (trial rooms and restrooms) are visually attractive.
	3.	Materials associated with this store's service (such as shopping bags, loyalty cards, and catalogues) are visually appealing.
	4.	The store has clean, attractive, and convenient physical facilities (restrooms, fitting rooms).
Sub-dimension 2: Convenience	5.	The layout of the store makes it easier for customers to find what they need.
	6.	The layout of the store makes it easier for customers to move around in the store.
Dimension 2: Reliability		
Sub-dimension 3: Promises	7.	When the store promises to do something (such as repairs, alterations) by a certain time, it will do so.
	8.	The store provides its services at the time that it promises to do so.
Sub-dimension 4: Doing-it-right	9.	The store performs the service right the first time.
	10.	The store has merchandise available when the customers want it.
	11.	The store insists on error-free sales transactions and records.
Dimension 3: Personal interaction		
Sub-dimension 5: Inspiring confidence	12.	Employees in the store have the knowledge to answer customers' questions.
	13.	The behaviour of employees in the store instils confidence in customers.
	14.	Customers feel safe in their transactions with this store.

Sub-dimension 6: Courteousness/helpfulness	15.	The employees in the store give prompt service to customers.
	16.	Employees in the store tell customers exactly when services will be performed.
	17.	Employees in the store are never too busy to respond to customers' requests.
	18.	The store gives customers individual attention.
	19.	Employees in the store are consistently courteous with customers.
	20.	Employees in the store treat customers courteously on the telephone.
Dimension 4: Problem solving		
	21.	The store willingly handles returns and exchanges.
	22.	When a customer has a problem, the store shows a sincere interest in solving it.
	23.	Employees of the store are able to handle customer complaints directly and immediately.
Dimension 5: Policy		
	24.	The store offers high quality merchandise.
	25.	The store provides plenty of convenient parking for customers.
	26.	The store has operating hours, which are convenient for all their customers.
	27.	The store accepts all major credit cards.
	28.	The store has its own credit card.

(Adapted from Kaul, 2008:18)

RSQS has been viewed as a generalised scale, which is suitable for studying retail businesses that offer a mix of services and goods such as department or speciality stores (Dabolkar *et al*., 1996:3-16). RSQS may be suitable for gathering data regarding current levels of service quality, conducting periodic "checks" to measure service improvement, as well as serve as a diagnostic tool that would allow retailers to determine service areas that were weak and require attention.

2.4.2.6 Empirical research using RSQS

Below is a summary of the most relevant research that has been conducted by making use of RSQS.

Table 2-3: Research using RSQS

Researcher/s	Industry	Findings
Dabholkar *et al.* (1996:3-16)	US department stores	RSQS possesses strong validity and reliability. The scale proved to be suited for studying retail businesses that offer a mix of services and goods such as departmental or specialty stores.
Boshoff and Terblanche (1997:123-128)	South African retail environment	The instrument was valid and reliable to measure the retail service quality of South African department stores, speciality stores and hypermarkets that offered a mix of goods and services.

Mehta *et al.* (2000:62-72)	Supermarket and electronic goods retailers in Singapore	The RSQS scale was a better measure of service quality for a supermarket retailer (more goods and less services environment) than for an electronic goods retailer (more services and less goods environment).
Siu and Cheung (2001:88-96)	Well known departmental store chain in Hong Kong	RSQS could be applied to study retail stores in Hong Kong, but some modifications were required.
Kim and Jin (2002:223-237)	US and Korean discount stores	Customers' perceptions of service quality do not view service quality in a similar manner. The dimensionality of service quality is not valid across industries or across countries and, consequently, RSQS could not be viewed as a reliable and valid measure for cross-cultural comparisons.
Kaul (2005:2)	Indian speciality apparel store context	RSQS dimensions were not valid in India.

From the above findings it can be seen that RSQS was applied successfully in a retail context by various researchers. The instrument was also found reliable to measure the retail service quality at South African department stores. Despite RSQS's success, the instrument has some limitations, which are discussed in the following section.

2.4.2.7 Limitations regarding the use of RSQS

Inherent limitations in the use of RSQS as a tool to measure service quality includes a lack of agreement regarding the number of items that should be used while assessing retail service quality and the universality of the five dimensions of retail service quality, as identified and proposed by Dabholkar *et al.* (1996:3-16). As different retail settings provide different sets of service to customers, RSQS should be adapted, modified and validated in the context of the retail setting where it is applied.

Since RSQS has been developed to measure retail service quality specifically, and has been applied successfully to the South African retail environment, this model was applied in this study.

In the next section, the South African clothing sector is discussed in detail in order to provide a thorough background to the research topic.

2.5 South African clothing sector

The South African clothing sector consists of a number of well-established large firms, SMMEs and home industries, as well as a large cut-make-and-trim (CMT) industry. Significant value chain power among clothing and textile retailers exist, with the top five retailers accounting for over 70% of formal South African clothing sales (Vlok, 2006:228).

Clothing manufacturing is identified as a key sector of support because of its capacity to create the greatest number of jobs per rand of fixed investment. The clothing sector requires a relatively unskilled labour force and offers entry-level jobs, which makes it an important employer in many poor communities and for unskilled workers for whom few other opportunities exist. According to Vlok (2006:230), 82% of workers in the clothing sector are women and, consequently, job losses in the industry have a disproportionate impact on women and women-headed households. South Africa has high labour rates when compared to competitor countries, competes with countries that have more flexible labour markets in terms of additional labour costs.

Official statistics on retail sales, published by Statistics South Africa (Vlok, 2006:231), indicate that the market for garments, textile products and shoes has expanded significantly in recent years.

Three issues faced by the South African clothing industry that constantly occur in literature include imports from China, the employment crisis and competitive challenges. These three topics are discussed in more detail below.

2.5.1 Surge in imports from China

One of the principle reasons for the decline in volume of clothing produced locally is a sharp surge in imports, especially from China, which threatens the long-term survival of the industry. Despite an increase in domestic retail sales amongst major retail groups that dominate the clothing value chain, the working sector has not been impacted much. Retailers import cheaper wearing apparel in an attempt to increase their margins and market share. This trend is evident across all major retail groups. Furthermore, South Africa has a higher cost structure, which makes it even more difficult to compete with low-cost competitors such as China, India, Indonesia, Turkey and Pakistan.

Figure 2-3 below shows the growth of Chinese imports into South Africa, especially of clothing, over the last few years.

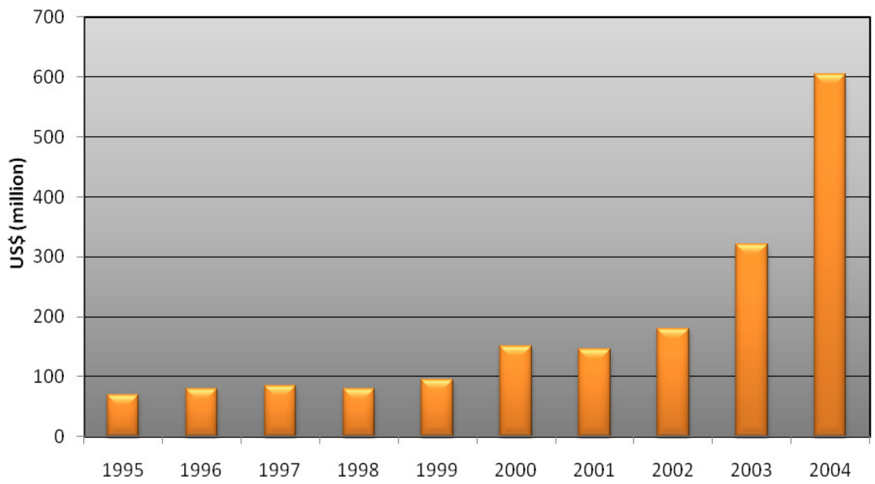


Figure 2-3: Growth of Chinese imports

(Adapted from Vlok, 2006:235)

From above figure it can be seen that there has been a significant growth of Chinese imports into South Africa over the last couple of years.

2.5.2 Employment crisis

Increases in retail sales have been accompanied by reduced production and employment losses in the associated manufacturing industry. It is clear that the decline in output and employment in the industry can be ascribed to a surge in imports. The large clothing retailers have shown spectacular improvements in their financial performance over the last number of years. The table below shows the retail operating profit before tax of four major retailers for the 2003 to 2007 financial years, as well as for 2011. These increases in profits are the result, in part, of higher margins that have been achieved on the sale of cheaper imported products. If the sector continues along its current trend, it is probable that only a few firms will remain, employing a small number of people and servicing niche markets.

Table 2-4: Retailer operating profits before tax (R million)

	2003	2004	2005	2006	2007	2011
Mr Price Group LTD	274	324	426	563	639	1 484
Foschini LTD	435	589	697	910	990	2 051.1
Truworths International LTD	405	615	816	954	1272	2 860
Woolworths Holdings LTD	352	512	623	727	878	1 480

(Adapted from Mc Gregor, 2007; Foschini, 2012; Mr Price, 2012; Truworths, 2012; Woolworths, 2012)

2.5.3 Principle competitive challenges

In a study, which was conducted by Vlok (2006:231-243), the following key challenges that are experienced by the clothing industry of South Africa were identified:

- Clothing manufacturers have failed to adhere to world class manufacturing standards partly owing to the failure to employ state-of-the-art technologies. The level of investment in the clothing and textile sector has also failed to attract highly skilled workers and technicians. Consequently, the current level of skill is insufficient to raise quality standards or to bring about high value-added production;
- Lack of investment along the value chain and weak supply chain management has continued to weaken the value chain, which has reduced the competitiveness of the sector;
- Illegally imported and under-invoiced goods compete unfairly with local products and present a significant challenge;
- The shortage of domestically produced fabrics, as well as a limited variety of fabrics produced locally force firms to import fabrics that are not produced locally; and
- The rapid pace of job losses threatens the survival of the industry. According to the Western Cape clothing industry report (the Ralis report), if employment trends continue, the sector will disappear by 2012.

The following section expands on retail aspects of the South African clothing industry.

2.5.4 South African clothing retail industry

Retailing in South Africa is one of the most challenging and competitive sectors (Yao, 2002:1). The South African retail business environment is tough and uncertain, with intense competition from both domestic and international companies. South Africa has a diverse and fascinating retailing landscape, which is characterized by a population from different demographics and consumers from different races. Consumers have become more value conscious, and retailers must continuously seek ways to maximize the value that they provide to their current customers through keeping themselves informed of ways in which customers are served (Yao, 2002:2). Companies should gain a competitive advantage in order to be successful in the long-term. Yao (2002:3) found that customer service plays an important role in the performance of the business, and links directly with the costs, prices, profitability, output, and employment of the business.

Even though South Africa has a large clothing industry (Du Preez & Visser, 2003:15-20), du Preez (2003:11-14) indicates that there is insufficient knowledge about the clothing shopping behaviour of consumers in the country.

In South Africa, large national independent stores are represented by stores such as Edgars, Foschini, Woolworths, Truworths, Jet, Markhams, Queenspark, Clothing City and Mr Price (Competition Tribunal Republic of South Africa, 2003).

It is difficult to define the South African clothing retail market according to income group classification (LSM). Research indicates that LSM grouping does not necessarily dictate, which stores consumers shop at. It has also been proven that there is an overlap between various LSM categories, since consumers in the lower LSM groups will often purchase from higher LSM targeted shops and vice versa (Competition Tribunal Republic of South Africa, 2003). Furthermore, research indicates that players in this industry compete by promoting a certain "customer image" that offers merchandise at different price levels within the same store – which attracts customers from a broad band of LSM categories, rather than focus on customers in a specific LSM category (Competition Tribunal Republic of South Africa, 2003).

In the ladieswear market the three largest players are Wooltru (with a market share of 37.9%), Edcon (22.6%) and Foschini (12.9%). In the menswear market the three largest players are Wooltru (30.4%), Edcon (27.6%) and Mr Price (12.4%). These figures are supported by market research, which was conducted for Ackermans by an independent company called Research Surveys (Competition Tribunal Republic of South Africa, 2003).

The three largest players in the ladieswear market of South Africa (as identified in section 2.5.4) and their respective trading brands, can be summarised as follows:

Table 2-5: Trading brands of holding companies

	Holding Company		
	Foschini Limited	**Wooltru**	**Edcon**
Trading Brands	RCS Group FG Financial Services @Home @Home Livingspace Matrix American Swiss Sterns Due South Total Sports Sport Scene	Wooltru Finance Wooltru Property Group Affinity Logic Truworths International **Woolworths** SA Mutual Group Sanlam	Boardmans CNA Discom **Edgars** Jet Jet Mart Jet Shoes Legit Prato Red Square

	Exact! Markham Luella Fashion Express Donna-Claire **Foschini**		Temptations Edcon Financial Services

For the purpose of this study, one clothing retailer from each of these groups was selected, namely Foschini, Woolworths and Edgars. Various aspects of these three stores are summarised below.

Table 2-6: Summary of retailers

Criteria	Foschini	Woolworths	Edgars
Year established	1925	1931	1929
Annual turnover	R2 833.5m (2011)	R11 564m (2011) – (Clothing and general merchandise)	R10 852m (2011)
Number of stores that sell clothing in South Africa	187 (2011)	183 (2011)	180 (2011)
Core business	Womenswear chain offering contemporary clothing, footwear and cosmetics.	Retail chain that offers a selected range of clothing, homeware and food.	Retail chain that offers clothing, footwear, textiles and accessories.
Target market	LSM 6 – 10; 18 – 35 year old	LSM 9 – 10 and aspirant LSM 6 – 8; upper and middle income groups.	Middle and upper income markets.
Positioning	A destination of choice for women seeking modern, fashionable and current apparel and footwear, offering good value in an environment that is modern and friendly.	Building lifetime relationships through providing beautiful products of exceptional quality and value in a modern, exciting shopping experience.	Offers well-priced, fashionable apparel and textiles, coupled with the strongest and best priced assortment of national and international brands, which are served to customers in a caring and efficient environment.
Points of differentiation	Product innovation, brand selection, continual updating of retail environment.	Exceptional quality and durability, excellent customer service and value for money.	Well-priced, quality merchandise, customer service and wide assortment.
Credit/payment facilities (own credit card) Account	Yes	Yes	Yes
Holding company listed on JSE	Yes	Yes	Yes
Web presence (own website)	Yes	Yes	Yes
Online shopping website	No	Yes	Yes

(Adapted from Edgars, 2012; Foschini, 2012; Woolworths, 2012)

In order to compete in this sector, players need high stock levels, branded products, the right location, good marketing and competitive prices (Competition Tribunal Republic of South Africa, 2003).
In a study, which was conducted by Michon *et al*. (2008:456-468), it was found that malls focus increasingly on clothing, and emphasize female clothing. Male and female consumers differ particularly, since males tend to make a purchase more quickly, while females require a substantial amount of time to make a decision (Heebner, 2006:66-70). Consequently, women are considered by retailers as their most valuable clients. This applies particularly to clothing retail, where female consumers have an interest in fashion, and thus spend a substantial amount of money and energy on clothing shopping (Kawabata & Rabolt, 1999:213-223).

Hu and Jasper (2006:25-48) found that highly personalised service provision has a positive impact on the consumer's perception of store image. Furthermore, the sales assistant's characteristics such as knowledge and personality, together with store location and merchandise suitability, also determine store image, which, in turn, affect the consumer's choice of store (Solomon & Rabolt, 2004). Because of competition between retailers, Sharma (2001:125-129) believes that it is necessary to adjust service quality to the consumer and, therefore, salespeople play a critical role in the retail environment.

In summary, it can be said that the South African clothing industry is dominated by a few of large players and that consumers are diverse.

2.6 Summary

This chapter considered various concepts and aspects, which relate to service quality. It discussed consumer perception, and outlined the importance of service quality and the influence that it can have within a retailing context. Furthermore, this chapter discussed the South African clothing industry, and focused on its competitive nature. The following chapter presents the research methodology that was used in this study.

CHAPTER 3 : RESEARCH METHODOLOGY

3.1 Introduction

The preceding chapter focused on the most important aspects of service quality and the South African clothing sector. This chapter provides a review of the research methodology. It explains what type of research design was used, and why. It also clarifies why the research was conducted from a quantitative perspective. This chapter provides insight into the sampling design that was used and gives details on how the population, sample and sample elements were selected. Furthermore, this chapter describes the data collection method by describing the different actions that were taken throughout the collection process. The questionnaire design and consideration behind the layout is explained, as well as the software that was used for statistical analysis. Lastly, the ethical considerations are described in terms of participants' rights.

3.2 Research design

Research design can be classified under three categories, namely exploratory, descriptive and causal research. Ligthelm, Martins, Tustin and Van Wyk (2005:83) state that research design differs in terms of the research purpose, research question, precision of hypotheses that are formed and data collection methods, which are used. A descriptive research design was used for this study, as information was obtained concerning the current status of the phenomena, disregarding the cause. The research will, therefore, lead to a better understanding of the existing situation, but will not describe what caused the situation.

The nature of the investigation influenced the approach for conducting the research. A positivist research approach was used, since the study was conducted from a quantitative perspective only. Quantitative research involves the collection of primary data from a sample representative of a population. This allows the researcher to generalise about the population based on the results of the representative sample of the population.

According to McMillan and Schumacher (2001), survey data is used to describe and explain the status of phenomena, to trace change and to draw comparisons. This study made use of survey research, which comprised 120 questionnaires. Maree and Pietersen (2010:158) list the advantages of face-to-face survey research. Those that apply to this study, are summarised as follows:

- This method has the highest response rate, and helped the study to collect data in a reasonably short period of time;
- Long questionnaires can be used. For this study, long questionnaires were especially helpful in order to obtain all relevant information without having to exclude any important questions; and
- The interviewer can assist with issues that are not clear to the respondent. While this study's questionnaires were conducted, respondents were able to ask questions relating to the questionnaire when they were uncertain of the meaning of a question, which eliminated error to a certain extent.

3.3 Sample design

A population includes all the people whose opinions, behaviour, preferences and attitudes will yield information for answering the research question, and is the group from which the sample is drawn (Ligthelm *et al.*, 2005: 96). For the purpose of this study, the population consists of all Foschini, Woolworths and Edgars clothing stores within the Cape Metropolitan area. The population was selected owing to their importance in the ladieswear market of South Africa (as indentified in Chapter 2).

A sample is defined by Kotler and Armstrong (2001:152) as a segment of the population, which is selected for marketing research to represent the population as a whole. A sample element is the primary level of investigation, while a sample unit is the basic level of investigation. In this study, the sample unit is represented by a respective Foschini, Woolworths or Edgars clothing store within the Cape Metropolitan area, while the sample element is a female shopper at one of the pre-selected clothing retailers situated within the Cape Metropolitan area.

The sample unit, represented by a respective Foschini, Woolworths or Edgars clothing store within the Cape Metropolitan area was selected by listing all suburbs within the Cape Metropolitan area (sample frame), and randomly selecting four, and then listing all Foschini, Woolworths and Edgars stores within these four randomly selected suburbs (sample frame), and again randomly selecting one store from each large retailer. All random sampling was generated by using Microsoft Excel. Ten questionnaires were then completed by these sample units. The sampling was conducted in this way, since it is believed that this sampling method would allow for a representative sample of the Cape Metropolitan area.

Graphically, the selection of retail stores (sample unit) can be depicted as follows:

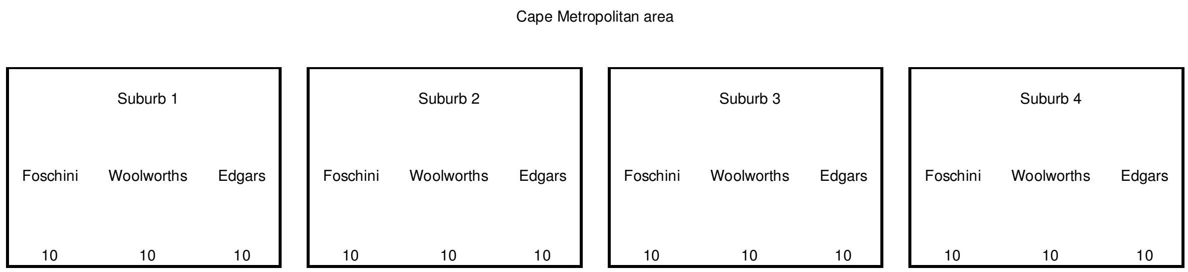


Figure 3-1: Selection of retail stores

The outcome of random selection of the sample unit was as follows:

7 Suburbs were listed:

Table 3-1: Suburbs within the Cape Metropolitan area

	Area
1	**Cape Town City Bowl**
2	**Southern Suburbs**
3	**Cape Town South Peninsula**
4	**Northern Suburbs**
5	**Cape Town Table Bay**
6	**Cape Town Atlantic Seaboard**
7	**Cape Winelands**

Excel generated numbers 2,7,4 and 5, which represent the Southern Suburbs, Cape Winelands, Northern Suburbs and Cape Town Table Bay respectively.

All large clothing retailers (represented by Edgars, Woolworths and Foschini) within the Cape Metropolitan area were listed in accordance with the suburbs listed above.

Table 3-2: List of large clothing retailers

		Clothing Retailer		
Area		**Edgars**	**Woolworths**	**Foschini**
Cape Town City Bowl	1	Cnr of Adderley & Hout Streets, Cape Town 8001 Tel: (021) 480 2800	Adderley Street Tel: (021) 481 7111	Golden Acre Shopping Centre, Cnr Adderley & Strand Street, Cape Town 8001 Tel: (021) 417 4603/6/12/19
Southern Suburbs	1	No.59 Main Road, Wynberg 7800 Tel: (021) 761 1191	Pinelands Tel: (021) 530 7111	140 Warwick Place, Claremont 7700 Tel: (021) 683 3003
	2	Kenilworth Shopping Centre Cnr of Doncaster & Loch & Chicester Roads, Kenilworth 7700 Tel: (021) 671 1120	Kenilworth Tel: (021) 670 7000	50 Upper Level, Kenilworth Centre, Doncaster Road, Kenilworth 7700 Tel: (021) 673 8008/10/11/14
	3	Cavendish Square Shopping Centre cnr of Main and Vineyard Roads, Claremont 7700 Tel: (021) 683 5203	Cavendish Square Tel: (021) 670 7111	
	4	Shop No.G21 Longbeach Mall Cnr of Buller Louw & Sunnydale Streets, Sun Valley 7975 Tel: (021) 784 1300	Longbeach Mall Tel: (021) 784 1460	Shop G19 Longbeach Mall, Cnr Sunnyside Road & Buller Louw Drive, Noordhoek 7985 Tel: (021) 784 1400
	5	Shop no.11, Level 3 Maynard Mall, Wynberg 7800 Tel: (021) 7611102	Maynard Mall Tel: (021) 799 9711	Shop 38 Upper Level, Maynard Mall, Main Road, Wynberg 7800 Tel: (021) 763 4809/10
	6	Shop No.L61 Blue Route Mall Tokai Road, Tokai 7945 Tel: (021) 712 5030	Blue Route Tel: (021) 710 3640	Shop 56 Blue Route Centre, Tokai Road, Tokai 7945 Tel: (021) 713 8140
Cape Town South Peninsula	1	Shop 39 Vanguard Mall, Athlone Cape Town 8001 Tel: (021) 684 1160	Vangate Mall Tel: (021) 684 2111	Shop 88 Vangate Mall, Vanguard Drive, Athlone 7764 Tel: (021) 684 2027/9/33
	2	Shop No.17 Promenade Shopping Centre Cnr of AZ Berman Drive & Morgenster Roads, 7785 Tel: (021) 376 5535	Promenade Mall Tel: (021) 376 9011	Shop 59 The Promenade Shopping Centre, AZ Berman Drive, Mitchells Plain 7785 Tel: (021) 376 9500/13/14
	3	Shop No.44 Westgate Mall Cnr of Vanguard & Motgen Streets, Sun Valley 7975 Tel: (021) 374 3181	Westgate Mall Tel: (021) 370 3611	
	4		Cape Town International Airport Tel: (021) 927 2540	Shops 53 & 54 Gugulethu Shopping Centre, Cnr NY1 & NY3 Roads, Gugulethu 7751
Northern Suburbs	1			Shops 27 & 28, Durbanville Centre, Main Road, Durbanville 7550 Tel: (021) 970 2360
	2	Sanlam Shopping Centre Voortrekker Street, Parow 7500 Tel: (021) 939 0120	Parow Tel: (021) 936 9600	Shops 74 & 154 Parow Shopping Centre, Cnr Voortrekker Road & Delarey Street, Parow 7500 Tel: (021) 937 4611/13/15/17
	3	No.30 Voortrekker Road Belville 7530 Tel: (021) 948 4836	Brackenfell Tel: (021) 982 1121	Standard Bank Building, Cnr Voortrekker Road, & Kruskal Avenue Walkway, Bellville 7530 Tel: (021) 946 3210/1/2
	4	N1 City Mall Louwtjie Rothman Street, Goodwood 7460 Tel: (021) 595 1600	N1 City Tel: (021) 596 3311	Shop 70 N1 Shopping Centre, Frans Conradie Drive, Goodwood 7460 Tel: (021) 596 9300/7/9/10/11
	5	Shop No.U39 Cnr of Okavango & DeBron Roads Bracken Brackenfell 7560 Tel: (021) 980 8181	Cape Gate Tel: (021) 980 6800	Shop S80-S83 South Mall, Cape Gate Regional Centre, Cnr Okavango Road & De Bron Drive, Brackenfell 7560 Tel: (021) 980 7800/6
	6	Shop No.61 Tygervalley Centre Cnr of Bill Bezuidenhout & Hume Str,Tygervalley 7530 Tel: (021) 914 2080	Tygervalley Tel: (021) 943 1511	Shop 53 Tygervalley Reg Centre, Cnr Durbanville & Bill Bezuidenhout Avenue, Bellville 7530 Tel: (021) 917 8305/6/8/11/14
	7	Zevenwacht. shop 54 c/o Polkadraai & van Riebeeck rd Kuilsriver 7580 Tel: (021) 900 3760	Zevenwacht Tel: (021) 900 3700	Shop 192 Zevenwacht Mall, Cnr van Riebeeck & Polkadraai Road, Kuilsriver 7580 Tel: (021) 900 4600/18/22
	8	Shop No.151 Canal Walk Shopping Centre Century City Boulevard, Milnerton 7441 Tel: (021) 529 1900	Canal Walk Tel: (021) 555 9911	Shop 213 Canal Walk Centre, Century City, Milnerton, 7405 Tel: (021) 529 3000/24
Cape Town Table	1	Shop No.79 Bayside Centre	Bayside Centre CT Tel: (021)	Shop 86 Bayside Centre, Table

Bay		Table View 7441 Tel: (021) 556 1360	521 4611	View 7405 Tel: (021) 521 3440/3468/9
Cape Town Atlantic Seaboard	1	Shop No.6206 V&A Waterfront, Cape Town 8000 Tel: (021) 419 8766	V&A Waterfront Tel: (021) 415 3411	Shops 7118, 7119 & 7120 Victoria Wharf V & A Waterfront, Cape Town 8001 Tel: (021) 441 3840/7
	2		Piazza St John Tel: (021) 430 4811	
	3		Fort Road Seapoint Tel: (021) 430 4811	
Cape Winelands	1	Somerset Shopping Mall Cnr of N2 and R44 Roads,Somerset West 7130 Tel: (021) 851-2970	Somerset Mall Tel: (021) 850 1600	Shop 20 Somerset Mall, Somerset West 7130 Tel: (021) 850 1900/5/6
	2		Somerset West Tel: (021) 850 5211	Sevenoaks Building, 150C Main Road, Somerset West 7130 Tel: (021) 851 7171

Microsoft Excel generated the following stores:

Southern Suburbs – Longbeach Mall;
Northern Suburbs – N1 City;
Cape Town Table Bay – Bayside Centre; and
Cape Winelands – Somerset Mall.

A female shopper at one of the pre-selected clothing retailers, which is situated within the Cape Metropolitan area was selected as a sample element owing to their importance to clothing retailers - as explained in greater detail in Chapter 2. The sample element was selected systematically by the interviewer who approached every second person as they left the store, and who is in possession of a branded bag from one of the large clothing retailers.

The sample size for this study comprised 120 respondents. CPUT statistician, Corrie Uys, deemed this sample size appropriate for the statistical purpose of a mini dissertation. Apart from not being a full thesis, practical resources in terms of money, time and personnel also impacted the size of the sample. This study serves as a basis for further research in this research area.

In the following section the questionnaire design is discussed.

3.4 Questionnaire design

A questionnaire is defined as "a structured sequence of questions designed to draw out facts and opinions and, which provides a vehicle for recording the data (Hague & Jackson, 1996:107)". Crouch and Housden (1996:137-138) identify the following main purposes of questionnaire design in the data-collection process:

- To collect relevant data;
- To make data comparable;
- To minimise biases; and
- To motivate respondents to participate in the survey.

While designing the questionnaire, the type of data that would be generated by each of the questions was taken into consideration. The framework within which the questionnaire was structured as well as the contents of the questions ensured that the data that was collected was relevant to the research problem. The content of the questionnaire was, therefore, developed based on Dabolkar *et al*.'s RSQS structure, which captures the dimensions of service quality in retail stores. The questionnaire comprised three sections.

The first section gathered information relating to the respondent's shopping behaviour in terms of frequency and duration of shopping sessions. This section also asked respondents to indicate whether they have an account at a large clothing retailer and, which clothing retailer they frequent (shop at) most often. The information was collected through the use of multiple choice questions.

The second section focused on the five dimensions of the RSQS structure, and included statements pertaining to retail service quality, as outlined in the RSQS structure. Respondents were asked to indicate their perception of service quality. A 5-point likert scale (1 = strongly disagree, 5 = strongly agree) was employed to measure satisfaction. Secondly, respondents were asked to rate the importance of service quality determinants relative to one another. Respondents had to rate the aspects that make up the service quality dimensions from most important to fourth most important, indicated by numbers 1 to 4 – one being most important, and 4 being fourth most important. Lastly, respondents were asked to indicate, which service quality determinant they rate most important overall, and where they feel clothing retailers do not perform satisfactorily in terms of the five service quality determinants. Here again, respondents had to rate the determinants by assigning a number (relating to a score) to a dimension.

The third section solicited demographic information such as age, ethnicity and income level. Multiple choice questions were used in this section.

3.5 Pilot study

The questionnaire was pre-tested to identify mistakes that required correcting in order to achieve the desired results. The pre-test focused on wording and question order; determined the ability of respondents to understand the meaning of the questions; identified if some questions should be re-worded; and replaced or eliminated and determined if instruction to interviewers are adequate. Three respondents were selected for an undeclared pre-test at each of the identified large clothing retailers, namely Foschini, Woolworths and Edgars. Stores at which the pre-test was conducted, were identified by means of random sampling. Respondents were selected through systematic sampling, where the interviewer approached the first three people as they left the store with a branded bag from one of the large clothing retailers. The questionnaire was tested on three respondents at Longbeach Mall, N1 City, Bayside Centre and Somerset Mall. This ensured that the respondents were representative of the main body of respondents that would be interviewed in the main survey. The pilot study was conducted one week prior to the main survey to allow time for amendments to the questionnaire.

Results of the pre-test indicated that respondents understood the meaning of the questions, but that some respondents showed resistance to answer questions relating to their ethnicity, age and income. Since completion of this information was not compulsory, these questions were left in the questionnaire.

3.6 Data collection

A total of 120 questionnaires were completed by means of face-to-face intercept surveys. These interviews were conducted from Monday to Thursday during the last week of March 2011. Interviews were conducted at four different locations by one interviewer. Therefore, the interviews were conducted during the week (and not over the weekend) in order to allow one day per location to ensure parity. Interviews took the form of store intercepts, where respondents were intercepted at the exit of pre-selected retail stores within the Cape Metropolitan area. These store intercepts followed a systematic sampling process, where the interviewer approached every second person (female) as they left the store, and those who were in possession of a branded bag from one of the large clothing retailers.

Surveys were conducted as follows:

Table 3-3: Survey distribution

Date	Place	Number of Surveys
Monday, 28 March 2011	Longbeach Mall	30
Tuesday, 29 March 2011	N1 City	30
Wednesday, 30 March 2011	Bayside Centre	30
Thursday, 31 March 2011	Somerset Mall	30

3.7 Data analysis

The data analysis process involved cross analysis based on demographic variables. The data was analysed in order to draw conclusions from the data. Data was analyzed by making use of the latest version of SPSS software (V19), and is presented numerically in Chapter 4 in the form of graphs and charts. Cross tabulation allowed for comparisons to be drawn on the basis of age, income group, ethnicity and account holders versus ad-hoc shoppers, which are dealt with in Chapter 5. Apart from open ended questions, all data in the questionnaire was coded in order to enable analysis.

3.8 Ethical considerations

The survey was not conducted on business premises and, therefore, no permission had to be obtained from the owners. Rather, respondents were intercepted at the exit of pre-selected clothing retailers within the Cape Metropolitan area. When a clothing retailer was located in a shopping mall, respondents were intercepted outside the entrance of the shopping mall in the parking lot.

Prior to each survey being conducted, participants were informed by the interviewer why the research was being conducted, and what the research would be used for, what the procedures for participation are, and what their rights are. Their rights included:

- The right to privacy, which includes the right to refuse participation, to refuse to answer any question, and the right not to be interviewed for a long period of time;
- The right to anonymity and confidentiality, which implies that the identity of participants will be kept secret, and that the information gathered will be treated confidentially; and
- The right to full disclosure about the research - aims and consequences of the research should be communicated to participants.

In addition to the letter of consent, this study received ethical clearance from CPUT's Ethics Committee.

3.9 Summary

This chapter discussed the research methodology that was used for the study by describing the procedures that were followed. It explained why a descriptive research design was suitable for this study, and why a positivist research approach was used – through substantiating the use of quantitative research in the form of face-to-face survey research. The sample design and questionnaire design were discussed, elaborating on the selection processes. The pilot study and data collection were also discussed, followed by an explanation of the data analysis process. Lastly, ethical considerations pertaining to the rights of respondents were discussed. This chapter forms a foundation for the summary of findings that is discussed in the next chapter.

CHAPTER 4 : SUMMARY OF FINDINGS

4.1 Introduction

This chapter summarises the findings of a survey that was conducted in an attempt to determine consumer perceptions of service quality of large clothing retailers within the Cape Metropolitan area. The findings are categorized in three different sections, based on the layout of the questionnaire. The first section relates to respondents' shopping behaviour, the second section focuses on the five dimensions of the RSQS structure, and the third section captures demographic information. For ease of interpretation, the findings from the 120 respondents are presented graphically in the form of graphs and charts.

4.2 Respondents' shopping behaviour

Section 1 of the questionnaire was designed to gather information, which relate to respondents' shopping behaviour in terms of frequency, duration of shopping sessions, account-holding status, as well as, which large clothing retailer is frequented most often. This section comprises four questions that are explained below.

4.2.1 Account holding

Respondents were asked to indicate whether they have an account at a large clothing retailer to establish the rate of recurrence of having an account, and to determine whether there is any difference in the perceptions of service quality between account holders and non-account holders.

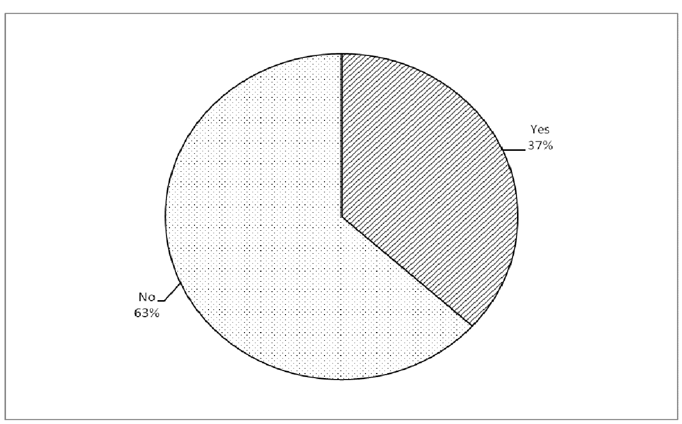


Figure 4-1: Account holding

From the above pie chart it can be seen that 37% of respondents have an account at a large clothing retailer, while 63% of respondents indicated that they do not have an account at any large clothing retailer.

4.2.2 Clothing retailer frequented most often

It was necessary in order to determine, which large clothing retailer respondents frequent (shop at) most often. Respondents based their answers for the rest of the questionnaire on the large clothing retailer that they selected in this question.

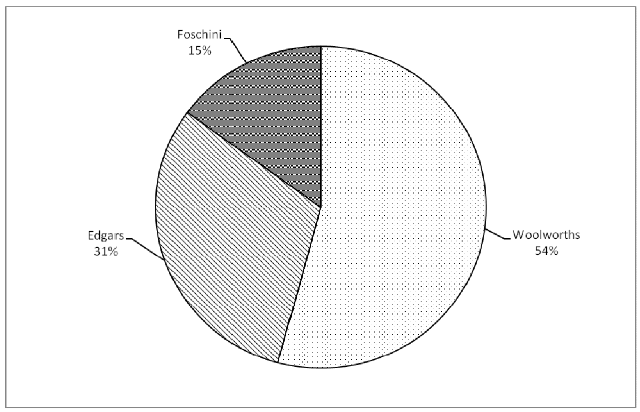


Figure 4-2: Clothing retailer frequented most often

The results of this question indicate that 54% of respondents shop at Woolworths most often, 31% of respondents shop at Edgars most often, and 15% of respondents shop at Foschini most often.

4.2.3 Frequency of shopping

Respondents were asked to indicate how often they shop at the large clothing retailer that they selected in order to gain insight into consumers' shopping behaviour.

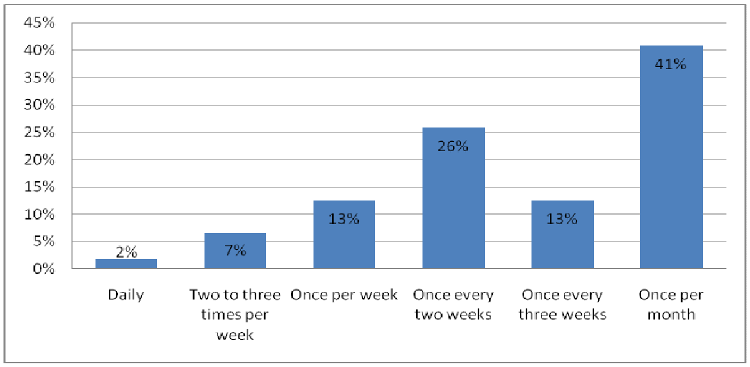


Figure 4-3: Frequency of shopping

A majority (41%) of respondents indicated that they shop once per month, while 26% shop once every two weeks. Results showed that 13% of respondents shop once per week and once every three weeks, while 7% of respondents shop once per week and only 2% shop daily.

4.2.4 Hours spent during an average shopping session

It was important to gain insight into the shopping behaviour of consumers. When respondents were asked how many hours they generally spend at a clothing retail store during an average shopping session, the results were as follows:

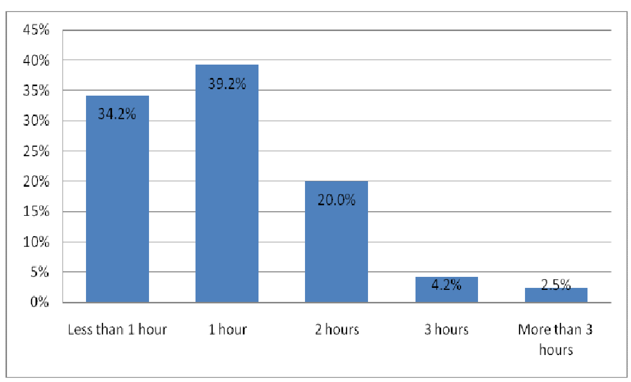


Figure 4-4: Hours spent during an average shopping session

From the above figure it is evident that 39% of respondents spend 1 hour and 34.2% spend less than 1 hour during an average shopping session. A vast majority of respondents (73.4%) spend 0-1 hours at a clothing retailer during a shopping session, while 20%, 4.2% and 2.5% of respondents indicated that they spend 2 hours, 3 hours and more than 3 hours, respectively, during a shopping session.

4.3 Dimensions of the RSQS structure

Section 2 of the questionnaire was designed to focus on the five dimensions of the RSQS structure, and included statements pertaining to retail service quality, as outlined in the RSQS structure. Section 2 comprises two parts, namely Service Quality Satisfaction (section 4.3.1) and Service Quality Dimensions (section 4.3.2). Both sections are discussed below.

4.3.1 Service quality satisfaction

In the first part of section 2, respondents were asked to indicate their level of agreement or disagreement with statements pertaining to retail service quality in order to establish consumer perceptions of service quality of large clothing retailers. The results could be used to determine, which areas of service quality relating to large clothing retailers, require improvement. The outcome of this question was used to provide recommendations to improve the service quality delivered by large clothing retailers. A 5-point likert scale was employed to measure levels of satisfaction. The first part of section 2 of the questionnaire comprised 12 statements, of which the findings are explained below.

4.3.1.1 Service quality of large clothing retailers

Statement: Service quality of large clothing retailers is excellent.
This statement was included to ascertain the existing perceptions of consumers with regard to service quality delivered by large clothing retailers.

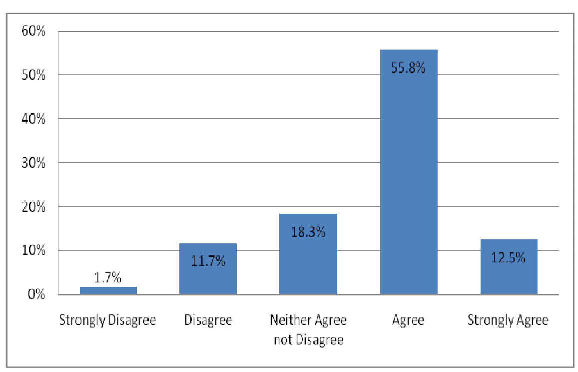


Figure 4-5: Service quality of large clothing retailers

The outcome of this statement revealed that 68.3% of respondents agreed, while 13.4% of respondents disagreed that the service quality of the large clothing retailer is excellent.

4.3.1.2 Importance of service quality

Statement: I regard service quality of the clothing retailer as unimportant.

By including this statement, the researcher gained insight into the relative importance of service quality among consumers. If a majority of respondents regard service quality as unimportant, there would be no point in investigating the subject.

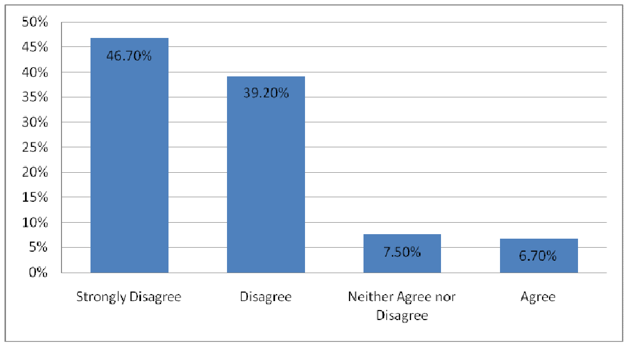


Figure 4-6: Importance of service quality

A majority of respondents (85.9%) do not agree with the statement that they regard service quality of the clothing retailer as unimportant, while 14.2% of respondents indicated that they regard the service quality of the clothing retailer as unimportant.

4.3.1.3 Similarity of merchandise and price versus service quality

Statement: If two stores offered similar merchandise at the same price, I would buy at the store that offers better service quality.

Due to the necessity to determine whether service quality plays a role in developing a preference of where to shop, this statement was included.

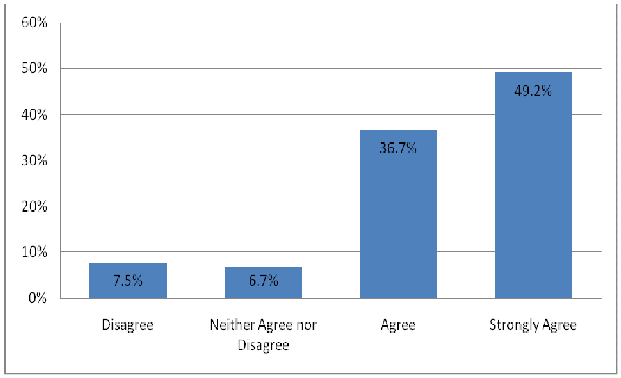


Figure 4-7: Similarity of merchandise and price versus service quality

The above graph shows that 85.9% of respondents agreed that if two stores offered similar merchandise at the same price, they would buy at the store that offers better service quality, while only 14.2% indicated the opposite.

4.3.1.4 Willingness to pay more at a store that offers better service quality

Statement: I would not be willing to pay more for an item at a store that offers better service quality.

The results of this statement were used to establish whether consumers are willing to pay more for better service quality delivery. If consumers are willing to pay more, it creates an additional advantage for clothing retailers that deliver high levels of service quality.

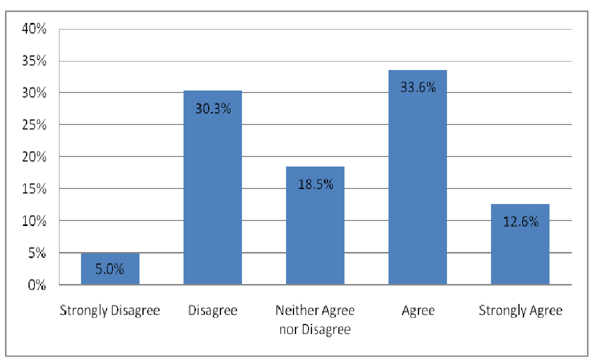


Figure 4-8: Willingness to pay more at a store that offers better service quality

The results indicate that most respondents (46.2%) will not be willing to pay more for an item at a store that offers better service quality, while 35.3% of respondents would be willing to pay more.

4.3.1.5 Clothing retailer facilities

Statement: In general, the clothing retailer has attractive facilities.

In an attempt to determine existing consumer perceptions of clothing retailer facilities, and whether retailers should improve the appearance of their stores in order to improve overall service quality, this statement was included.

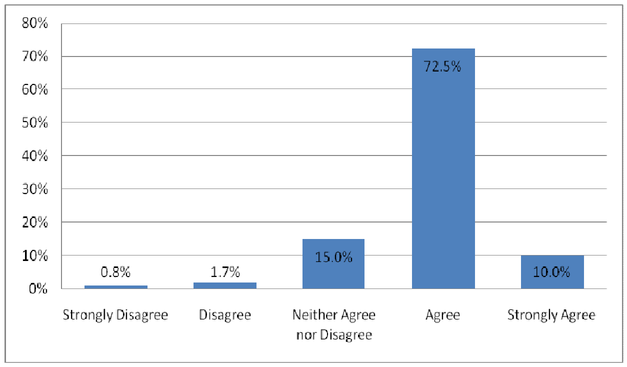


Figure 4-9: Clothing retailer facilities

A majority of respondents (82.5%) felt that the clothing retailer has attractive facilities, whereas 2.5% of respondents did not agree with this statement.

4.3.1.6 Delivering customer service within agreed time frame

Statement: The clothing retailer fails to deliver customer service within an agreed time frame.

Consumer satisfaction with regard to the timeousness of retailers' customer service delivery was captured in this statement.

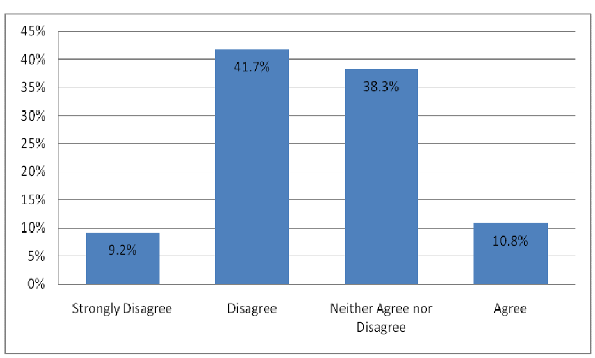


Figure 4-10: Delivering customer service within agreed time frame

A total of 50.9% of respondents disagreed, and 10.8% agreed that the clothing retailer fails to deliver customer service within an agreed time frame.

4.3.1.7 Knowledgeable employees and prompt service

Statement: The clothing retailer has knowledgeable employees who give prompt service.
The researcher was able to establish consumer perceptions of the competency of employees, and whether they deliver a satisfactory service to customers by including this statement.

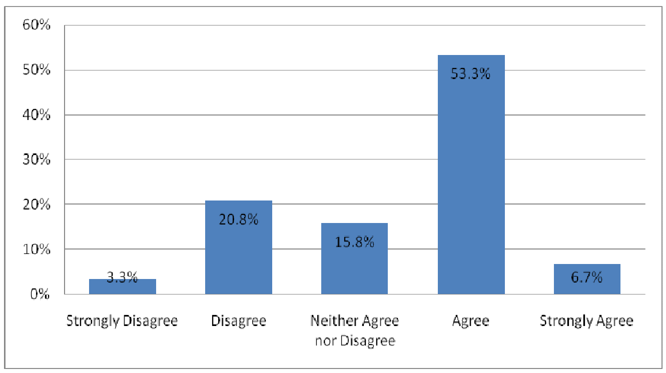


Figure 4-11: Knowledgeable employees and prompt service

Results showed that a majority of respondents (60%) agreed that the clothing retailer has knowledgeable employees who give prompt service, while 24% of respondents disagreed with this statement.

4.3.1.8 Individual attention to customers

Statement: The clothing retailer does not pay individual attention to customers.
This statement was included to determine whether retailers should employ more resources when paying individual attention to customers, or whether customers are satisfied with the existing attention that they receive.

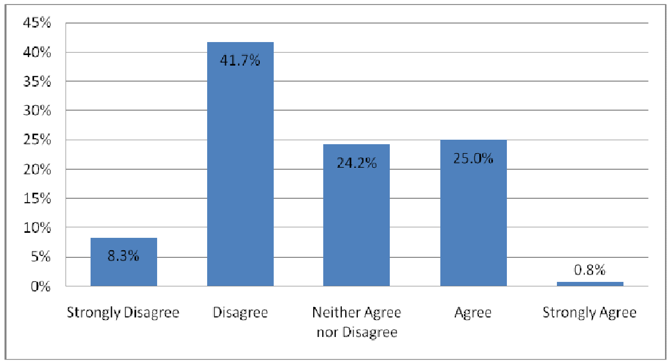


Figure 4-12: Individual attention to customers

It was found that 50% of respondents felt that the clothing retailer pays individual attention to customers, whereas 25.8% felt that this is not the case.

4.3.1.9 Handling of customer complaints

Statement: The clothing retailer is able to handle customer complaints directly.
The researcher included this statement to establish consumer satisfaction with regards to the handling of complaints. If respondents responded positively to the statement, one could assume that this aspect of service quality does not need improvement.

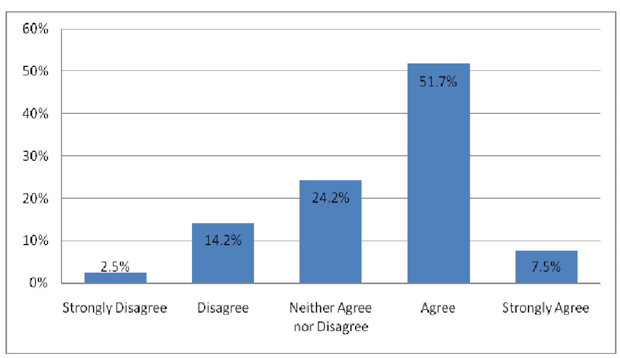


Figure 4-13: Handling of customer complaints

Findings revealed that 59.2% of participants indicated that the clothing retailer is able to handle customer complaints directly, while 16.7% believed that the clothing retailer is not able to handle customer complaints directly.

4.3.1.10 Interest in solving customer complaints

Statement: The clothing retailer is uninterested in solving their customers' problems.
The outcome of this statement reveals whether consumers are satisfied with the way that their problems are solved by large clothing retailers.

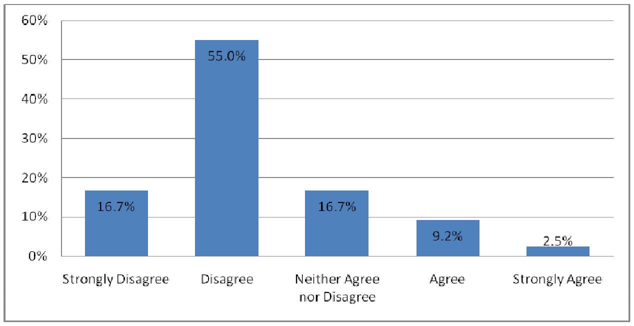


Figure 4-14: Interest in solving customer complaints

Respondents were not in agreement with the statement that the clothing retailer is uninterested in solving their customers' problems. A majority of respondents (71.7%) believed that this is not the case, while 11.7% agreed that the clothing retailer is uninterested in solving their customers' problems.

4.3.1.11 Convenient parking

Statement: In general, the clothing retailer offers convenient parking.
This statement was included to measure consumer satisfaction with regard to the convenience of parking that is offered at large clothing retailers.

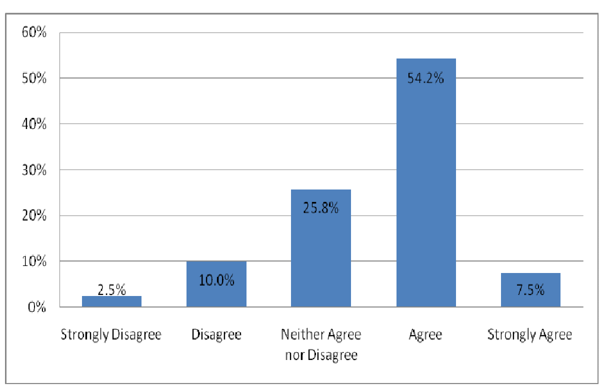


Figure 4-15: Convenient parking

The results of the statement showed that 61.7% of respondents agreed that the clothing retailer offers convenient parking, whereas 12.5% of respondents indicated that they do not feel that the clothing retailer offers convenient parking.

4.3.1.12 Acceptance of credit cards

Statement: The clothing retailer does not accept all major credit cards.
In order to ascertain whether respondents are satisfied with credit card facilities that are offered by large clothing retailers, this statement was included.

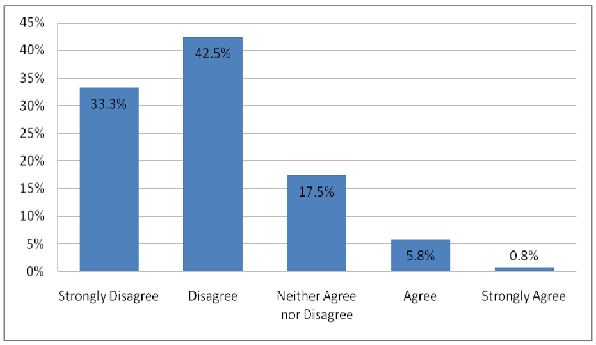


Figure 4-16: Acceptance of credit cards

It was identified that 75.8% of respondents were in disagreement with the statement that the clothing retailer does not accept all major credit cards. A mere 6.6% of respondents agreed with the statement.

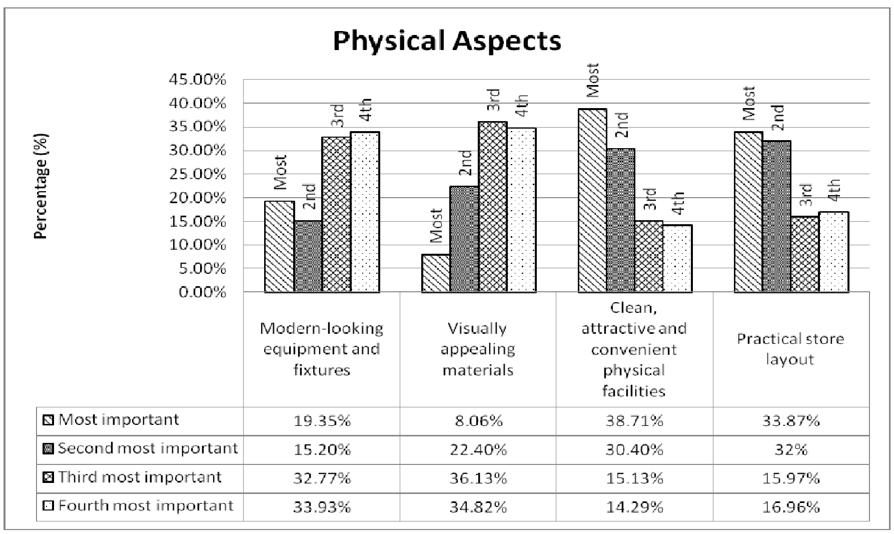
4.3.2 Service quality dimensions

Based on Dabolkar's RSQS structure (explained in Chapter 2), service quality has five dimensions. Each of these dimensions has sub-dimensions. In the second part of section 2 respondents were asked to rate the five dimensions of service quality in terms of relative importance to one another. This section was included to establish consumer expectations relating to service quality of large clothing retailers in terms of service quality determinants in order to ascertain, which sub-dimension of each service quality determinant consumers deem most important. By establishing, which service quality determinants consumers deem most important, large clothing retailers will gain insight into, which determinants they should focus on. The outcome of both parts of section 2 of the questionnaire is explained below.

4.3.2.1 Physical aspects

Physical aspects include the following sub-dimensions:

- Modern-looking equipment and fixtures, which refer to the store's apparatus, furniture and fittings;
- Visually appealing materials, which refer to the store's shopping bags, packaging and in-store displays;
- Clean, attractive and convenient physical facilities, which refer to the extent to which the store is hygienic, looks good inside and is well-located; and
- Practical store layout, which refers to the way that the store is arranged inside to easily find what you need.



	Modern-looking equipment and fixtures	Visually appealing materials	Clean, attractive and convenient physical facilities	Practical store layout
Most important	19.35%	8.06%	38.71%	33.87%
Second most important	15.20%	22.40%	30.40%	32%
Third most important	32.77%	36.13%	15.13%	15.97%
Fourth most important	33.93%	34.82%	14.29%	16.96%

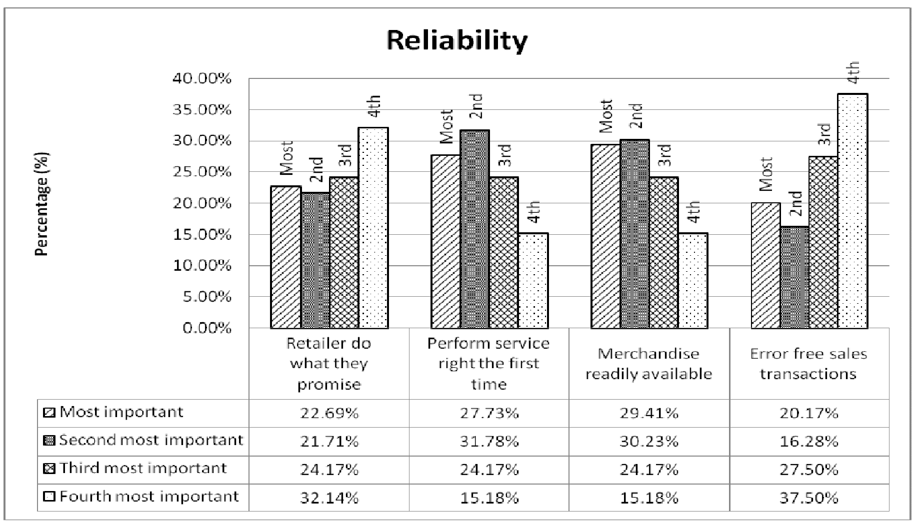
Figure 4-17: Physical aspects

Clean, attractive and convenient physical facilities proved to be the most important sub-dimension of *physical aspects*, while visually appealing materials turned out to be the least important sub-dimension. Physical facilities refer to the inside of the store, restrooms and fitting rooms, while visually appealing materials refer to shopping bags, loyalty cards and catalogues.

4.3.2.2 Reliability

Reliability includes the following sub-dimensions:

- Retailers do what they promise to do. This implies that the retailer keeps to their promise;
- Perform service right the first time, which refers to the correctness and accuracy of transactions;
- Merchandise is readily available, which means that the retailer has stock available when the customer wants it; and
- Error-free sales transactions, which implies there should be no mistakes with sales transactions.



	Retailer do what they promise	Perform service right the first time	Merchandise readily available	Error free sales transactions
Most important	22.69%	27.73%	29.41%	20.17%
Second most important	21.71%	31.78%	30.23%	16.28%
Third most important	24.17%	24.17%	24.17%	27.50%
Fourth most important	32.14%	15.18%	15.18%	37.50%

Figure 4-18: Reliability

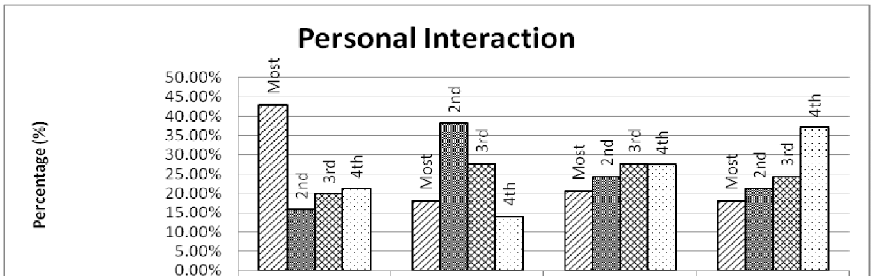
The above graph shows that respondents indicated that the most important sub-dimension of *reliability* to them is that merchandise should be readily available. Respondents indicated that error free sales transactions are the least important sub-dimension.

4.3.2.3 Personal interaction

Personal interaction includes the following sub-dimensions:

- Knowledgeable employees who are capable of answering product-related questions, which refer to the informedness and level of education of employees;

- Employees give prompt service, which refers to the swiftness with which employees deliver service to customers;
- Customers receive individual attention, which refers to one-on-one attention from employees to customers; and
- Courteous employees, which refers to politeness and manners of employees towards customers.



	Knowledgeable employees capable of answering product-related questions	Employees give prompt service	Customers receive individual attention	Courteous employees
Most important	42.98%	18.18%	20.66%	18.18%
Second most important	16.03%	38.17%	24.43%	21.37%
Third most important	20.00%	27.83%	27.83%	24.35%
Fourth most important	21.24%	14.16%	27.43%	37.17%

Figure 4-19: Personal interaction

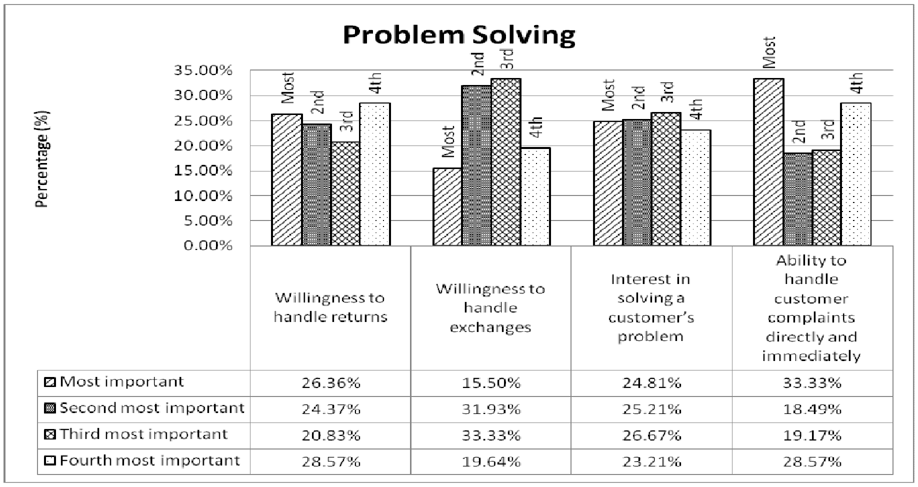
When it comes to *personal interaction*, respondents feel that knowledgeable employees who are capable of answering product-related questions, are most important, whereas courteous employees are least important.

4.3.2.4 Problem solving

Problem solving includes the following sub-dimensions:

- Willingness to handle returns, which refers to the extent to which the retailer is prepared to accept the return of merchandise;
- Willingness to handle exchanges, which refers to the extent to which the retailer is prepared to exchange merchandise;
- Interest in solving a customer's problem, which refers to the attention that is given by retailers to assist customers with their problems; and

- Ability to handle customer complaints directly and immediately, which refers to the degree to which a retailer is capable of handling customer complaints, as well as the time that it takes them to deal with a complaint.



	Willingness to handle returns	Willingness to handle exchanges	Interest in solving a customer's problem	Ability to handle customer complaints directly and immediately
Most important	26.36%	15.50%	24.81%	33.33%
Second most important	24.37%	31.93%	25.21%	18.49%
Third most important	20.83%	33.33%	26.67%	19.17%
Fourth most important	28.57%	19.64%	23.21%	28.57%

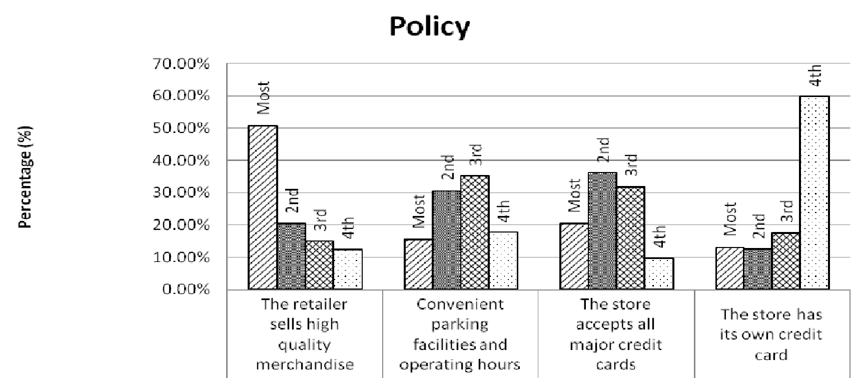
Figure 4-20: Problem solving

The ability to handle customer complaints directly and immediately was the most important sub-dimension of *problem solving* for respondents. Respondents felt that the retailer's willingness to handle returns and customers' complaints directly and immediately is least important.

4.3.2.5 Policy

Policy includes the following sub-dimensions:

- The retailer sells high quality merchandise, which refers to the level of excellence of products sold by retailers;
- Convenient parking facilities and operating hours, which refer to the location of parking facilities, as well as trading hours of the retailer;
- The store accepts all major credit cards, which refers to the ability of the retailer to receive payment from all major credit cards; and
- The store has its own credit card, which refers to whether the retailer offers their own credit card to receive payment.



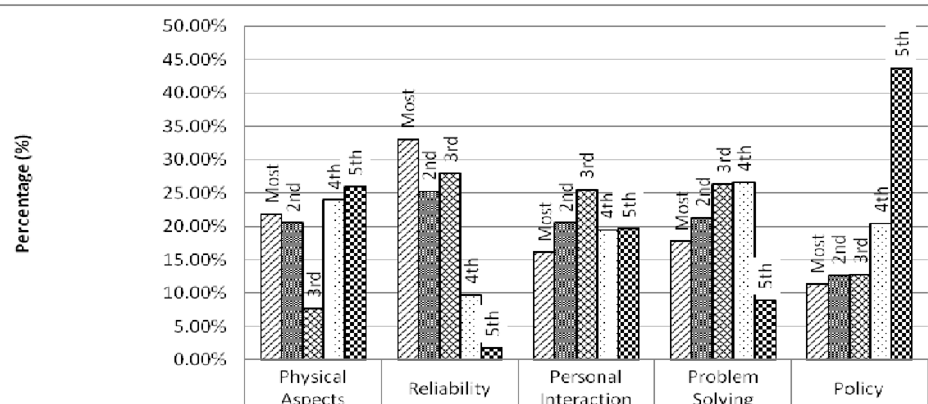
	The retailer sells high quality merchandise	Convenient parking facilities and operating hours	The store accepts all major credit cards	The store has its own credit card
Most important	50.82%	15.57%	20.49%	13.11%
Second most important	20.47%	30.71%	36.22%	12.60%
Third most important	15.13%	35.29%	31.93%	17.65%
Fourth most important	12.50%	17.86%	9.82%	59.82%

Figure 4-21: Policy

Findings revealed that high quality merchandise was the most important sub-dimension of *policy*. The least important sub-dimension turned out to be that the store has its own credit card.

4.4 Overall importance of service quality determinents

Respondents were asked to indicate, which service quality dimension they consider to be the most important overall when rating the service quality of the large clothing retailer. This question was included to determine, which dimension large clothing retailers should focus on.



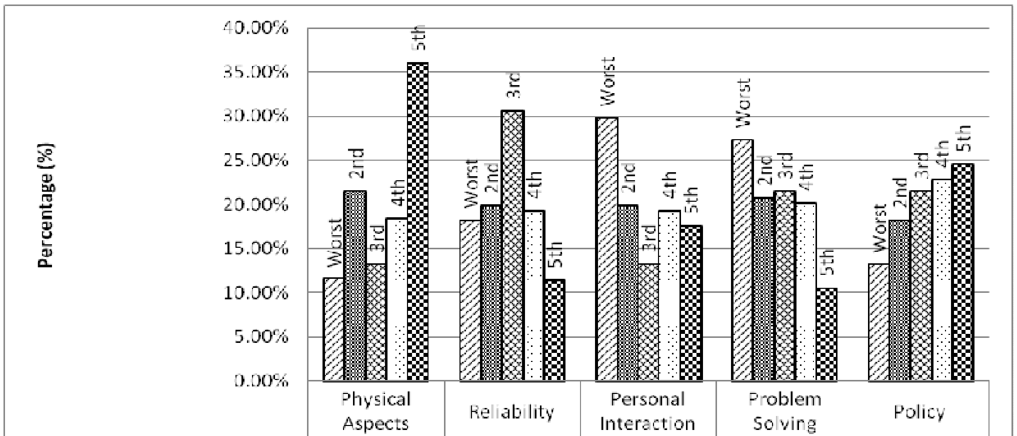
	Physical Aspects	Reliability	Personal Interaction	Problem Solving	Policy
Most important	21.77%	33.06%	16.13%	17.74%	11.29%
Second most important	20.47%	25.20%	20.47%	21.26%	12.60%
Third most important	7.63%	27.97%	25.42%	26.27%	12.71%
Fourth most important	23.89%	9.73%	19.47%	26.55%	20.35%
Fifth most important	25.89%	1.79%	19.64%	8.93%	43.75%

Figure 4-22: Overall importance of service quality determinents

Results showed that *reliability* was viewed as the most important overall when rating the service quality of the large clothing retailer. Respondents indicated that *policy* was viewed as the least important dimension of service quality.

4.5 Non-performance of large clothing retailers

This question was included to ascertain areas where large clothing retailers do not perform satisfactorily in terms of service quality. This was done to provide insight into current shortfalls in the delivery of service quality of large clothing retailers.



	Physical Aspects	Reliability	Personal Interaction	Problem Solving	Policy
Worst performance	11.57%	18.18%	29.75%	27.27%	13.22%
Second worst performance	21.49%	19.83%	19.83%	20.66%	18.18%
Third worst performance	13.22%	30.58%	13.22%	21.49%	21.49%
Fourth worst performance	18.42%	19.30%	19.30%	20.18%	22.81%
Fifth worst performance	35.96%	11.40%	17.54%	10.53%	24.56%

Figure 4-23: Non-performance of large clothing retailers

Respondents indicated that clothing retailers perform worst in *personal interaction*, and best in *physical aspects*.

4.6 Demographic information

Section 3 of the questionnaire was designed to solicit demographic information such as age, ethnicity and income level. Ethnicity is used in the following chapter for cross-tabulation.

4.6.1 Ethnicity

Ethnicity was included in this study in order to gain insight into the similarities or dissimilarities between the various ethnic groups in respect of the research study.

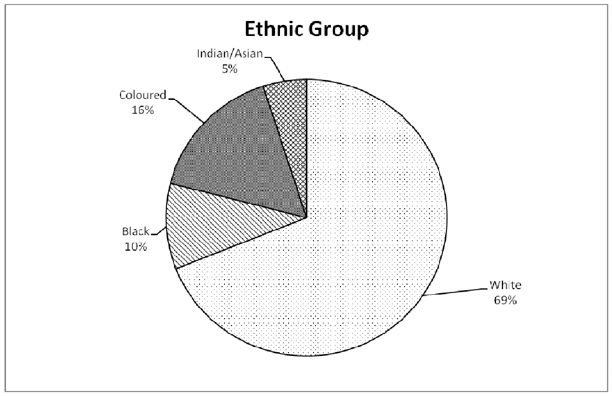


Figure 4-24: Ethnic group

The ethnicity of respondents was as follows: 69% of respondents are White, followed by 16% Coloureds, 10% Blacks, and 5% Indians/Asians.

4.6.2 Age

It was important to include age in this study to determine whether different age groups feel similarly about service quality.

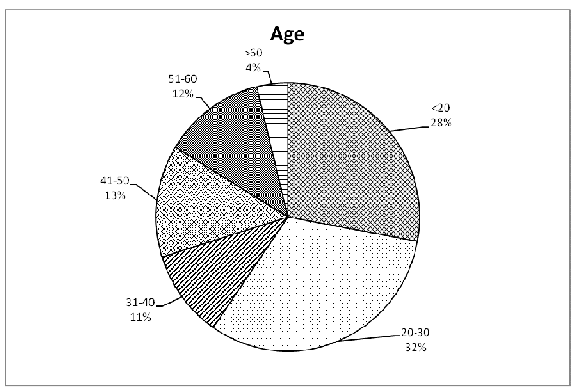


Figure 4-25: Age

Respondents' age comprised the following: 32% of respondents were between the ages of 20 and 30; 18% were younger than 20 years of age; and 13%, 12% and 11% were between the ages of 41 and 50, 51 and 60 and 31 and 40 years, respectively. A total of 4% of respondents were older than 60 years of age.

4.6.3 Income

Monthly income was included in this study to ascertain whether income is a predictor of service quality perception.

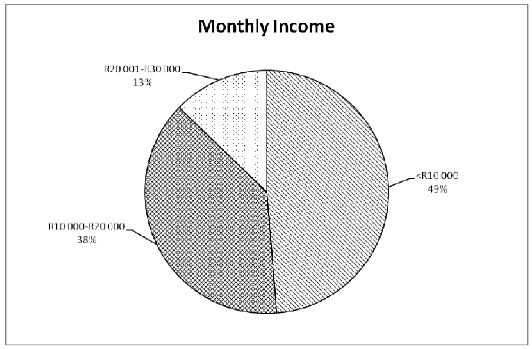


Figure 4-26: Monthly income

The above pie chart shows that 49% of respondents earn less than R10 000 per month; 18% earn between R10 000 and R20 000; and 13% earn between R20 001 and R30 000. The remainder of respondents chose not to answer the question.

4.7 Summary

This chapter summarised the findings of data, which was captured from the questionnaires. The data gave insight into the shopping behaviour of consumers in terms of frequency of shopping and account holding. It described consumer perceptions of service quality by clarifying their level of agreement or disagreement with service quality based on the five dimensions of the RSQS structure. This chapter also provided details of the relative importance of service quality dimensions, and aspects where large clothing retailers do not perform satisfactory. Lastly, the chapter described demographic information of respondents. In the next chapter, the findings of this chapter are discussed and analyzed.

CHAPTER 5 : DISCUSSION AND ANALYSIS

5.1 Introduction

This chapter interprets the findings that were presented in the previous chapter and includes support from literature that substantiates, or is in conflict with the findings. The researcher also adds some insight to the findings of the study. Cross analysis on the basis of age, income group, ethnicity and account holders versus ad-hoc shoppers allows for further analysis, and enables the researcher to draw conclusions and identify similarities between the different data sets.

5.2 Consumer perceptions of service quality

Respondents were asked to rate service quality at a large clothing retailer by indicating their level of agreement or disagreement with 12 statements pertaining to retail service quality, as outlined in the RSQS structure. Belch and Belch (2004:113-114) point out that perception is an individual process, which is dependent on internal factors such as a person's beliefs, experiences, needs, moods and expectations. These internal factors could be affected by a person's ethnicity, age or income group and, therefore perceptions were also analysed on the basis of these aspects. The results enabled the researcher to establish existing consumer perceptions of service quality delivered by large clothing retailers. In this section, each statement is discussed as a separate heading.

5.2.1 Service quality of large clothing retailers

A majority of respondents (68.3%) felt that service quality of large clothing retailers is excellent, while 13.4% of respondents disagreed with the statement. It can, therefore, be assumed that most consumers are satisfied with the existing service quality delivered by large clothing retailers. Even though consumers are satisfied, retailers should still differentiate in order to set themselves apart from their competitors.

When comparing the outcome for different ethnic groups, the result was unchanged with 70% of Whites and Blacks, 62.5% Coloureds and 80% of Indians/Asians strongly agreeing with the statement that service quality of large clothing retailers, is excellent.

When responses on the basis of age were compared, it became evident that even though a majority of respondents agreed with the statement that service quality of the large clothing retailers is excellent, the highest percentage of disagreement (24%) with this statement came from the 20-30 year age group, followed by the second highest percentage of disagreement (10%) from the 20 years and younger age group. This could be an indication that consumers that fall within these age groups have higher expectations of service quality than the other age groups.

Through analysing results from different monthly income groups, it became evident that even though a majority of respondents agreed with the statement that service quality of the large clothing retailer is excellent, the largest percentage of disagreement with this statement came from income group R20 001 – R30 000 per month. The outcome was split as follows: 30% of respondents within this income bracket disagreed with the statement; 11% within the income bracket of R10 000 and less disagreed; and 10% within the income bracket of R10 001 – R20 000 disagreed with the statement. The highest income group had the highest percentage of disagreement. One can assume that higher earners have higher expectations of service quality than consumers in lower income groups.

Dotson and Patton (1992:15-28) argue that there is strong evidence that many department stores fail to offer desired services. However, the results of this study contradict their statement. The two studies were not conducted in the same environment, which could be a possible reason for the results not corresponding.

5.2.2 Importance of service quality

Most respondents (85.9%) did not agree with the statement that they regard service quality of the clothing retailers as unimportant, and hence do in fact regard service quality of clothing retailers as important. Research by Bitner (1990:69-82) supports the argument that service quality is a significant predictor of customer loyalty-related intentions. If the retailer, therefore, succeeds in delivering satisfactory service to consumers, it will result in long-term loyalty. A small percentage of 14.2% of respondents do not regard service quality of clothing retailers as important.

When the results were further broken down, it became evident that a majority of all respondents from all ethnic groups disagreed with the statement that service quality is unimportant - 80% of White respondents, 100% of Black respondents, 87.5% of Coloured respondents, and 80% of Indian/Asian respondents disagreed with this statement. Hence, Black respondents had the highest percentage of disagreement with the statement, which could be indicative that service quality is more important to Blacks than to other ethnic groups.

Even though respondents of all ages disagreed with this statement, age groups 31-40 and 41-50 had a 100% disagreement with this statement; whereas 20 years and younger had a 82% disagreement; 20-30 year age group had a 87% disagreement; 51-60 year had a 84% disagreement; and 60 years plus had a 75% disagreement.

All income groups disagreed with this statement, but the R10 000 – R20 000 income bracket had the highest percentage of disagreement at 93%. In the less than R10 000 income bracket, 86% of respondents disagreed and in the R20 001 – R30 000 income bracket 80% of respondents disagreed with the statement.

5.2.3 Similarity of merchandise and price versus service quality

When respondents were asked whether they would buy at a store that offers better service quality if both offered similar merchandise at the same price, 82.9% indicated that they would, while 14.2% indicated that they would not. This result illustrates the value of delivering good service quality, and the benefit that it could provide to a large clothing retailer.

If two stores offered similar merchandise at the same price, 100% of Blacks and Indians/Asians will buy at a store that offers better service quality. Results indicate that 87% and 81.3% of Whites and Coloureds, respectively, also felt this way. Between 71.4% and 86.2% of respondents from all age groups agreed with this statement, while 100% of 20-30 year olds agreed with this statement. Furthermore, results indicate that between 83.3% and 90% of all respondents across all income groups agreed with this statement.

Results across all ethnic groups, age and income levels indicate that consumers will buy at a store that offers better service quality if the store's merchandise and price is the same. From the results it is evident that service quality can play a major role in attracting clients to a store, irrespective of their ethnicity, age or income. The outcome of the results from this study supports Bowen and Hedges's (1993:21-28) finding that business firms expand their market share when customers are satisfied through high quality service.

5.2.4 Willingness to pay more at a store that offers better service quality

Results reveal that a majority of respondents (46.2%) will not be willing to pay more for an item at a store that offers better service quality. Even though a majority of respondents felt this way, 35.3% of respondents indicated that they would be willing to pay more for an item at a store that offers better service quality.

When the results from different ethnic groups were compared, a majority of Whites (39.1%), Blacks (33.3%) and Indians/Asians (20%) agreed with this statement. However, only 31.3% of Coloureds agreed with this statement while 43.8% disagreed with the statement. Coloured respondents, therefore, are the only ones that participated in this study who are willing to pay more for an item at a store that offers better service quality.

Age groups 31 – 40 and 60 years and older disagreed with this statement (54.5% and 50%, respectively, in these age groups disagreed; and 45.5% and 25%, respectively, agreed with the statement). The other age groups all had a larger percentage of agreement with the statement than disagreement. Age groups 31 – 40 and 60 years and older are willing to pay more for an item at a store that offers better service quality.

Respondents from income groups that earned less than R10 000 and those who earn R10 000 – R20 000 agreed with the statement (38% and 42%, respectively), while 60% of the income bracket R20 001 – R30 000 agreed and 30% disagreed with the statement. Contrary to expected, it seems as if the higher income group has a lower tolerance to pay more for better service quality.

The percentage of respondents that indicated that they would be willing to pay more for an item at a store that offers better service quality could have been different if the range of respondents was different. A large number of respondents were young, and might not have the financial capacity to pay more for an item. Nonetheless, when results from this study are compared to a study, which was conducted by Finn and Lamb (1991:483-490), who found that business firms enhance their overall financial performance when customers are satisfied with high quality service, the results are not consistent.

5.2.5 Clothing retailer facilities

It became apparent that clothing retailers' facilities is one of the aspects where they fare well, with 82.5% of respondents agreeing that, in general, clothing retailers have attractive facilities, while only 2.5% disagreed with the statement that they have attractive facilities. In general, consumers seem to be satisfied with the appearance of the clothing retailer's facilities.

All ethnic groups were in agreement that the clothing retailers have attractive facilities. While 88.4% of Whites, 90% of Blacks and 68.8% of Coloureds agreed, only 40% of Indians/Asians agreed. Apart from 20% of Indian/Asian respondents who disagreed with the statement, 100% of respondents from other ethnic groups agreed with the statement. This could indicate that Indians/Asians' tastes differ from other ethnic groups or that Indians/Asians have higher expectations of the store's facilities than the other ethnic groups.

A majority of respondents from all age groups were in agreement with this statement, with only 3.4% from the age group younger than 20 years, and 3% of the age group 20 - 30 years disagreeing with this statement. This could be an indication that consumers who are younger than 20 years and 20 – 30 years of age have different expectations than those of other age groups. Respondents across all income brackets agreed that the clothing retailer has attractive facilities. Income, therefore, does not seem to impact on consumer preference in this regard.

One can assume from the findings that clothing retailers pay enough attention to their interior and exterior appearance such as visual displays, floor plans, mirrors, light fixtures, windows, and window displays in order to capture their customers' attention.

5.2.6 Delivering customer service within agreed time frame

When respondents were asked to indicate their level of agreement with the statement: The clothing retailer fails to deliver customer service within the agreed time frame, 50.9% disagreed and 10.8% agreed. With the retail environment becoming increasingly competitive, and characterized by sophisticated customer demands and increased sensitivity to service (Bitner, Brown & Meuter, 2000:138-149), it will become increasingly important for retailers to deliver services faster and more efficiently.

When data was analysed in terms of ethnic groups, the researcher discovered that the ethnic group that had the highest percentage of disagreement was Coloureds, with 75% disagreeing and only 6.3% agreeing with the statement. The assumption can be drawn that Coloureds are the most satisfied with the timeousness within which clothing retailers deliver a service.

In terms of results based on age group, a majority of respondents from all age groups felt that the statement is not true. Age group 41 – 50 had the highest percentage of respondents disagreeing with the statement (78.6%). Age group 20 and younger had the highest percentage of agreement with the statement (17.2%). It can, therefore, be said that age group 41 – 50 is most content, while age group 20 and younger is least satisfied with the timeous delivery of customer service.

Even though all income groups disagreed with this statement, income bracket R20 001 – R30 000 had the lowest percentage of disagreement, and the highest percentage of agreement with this statement. One could conclude that higher income groups consider their time to be more important than lower income groups and, therefore, have higher expectations of the time in which retailers perform a service.

5.2.7 Knowledgeable employees and prompt service

Solomon and Rabolt (2004:446) found that a sales assistant's characteristics such as knowledge and personality determine store image, which, in turn will affect the consumer's choice of store. It is therefore, extremely important for clothing retailers to have competent employees who are capable of performing their duties. Results indicate that a majority of respondents (60%) agreed that the clothing retailer has knowledgeable employees who give prompt service, while 24% of respondents disagreed with the statement.

All ethnic groups, apart from Blacks, were in agreement with the statement. The results from Black respondents were inconclusive, with 50% of respondents agreeing, and 50% disagreeing with the statement. One could assume that Blacks have a higher expectation with regard to knowledgeability of employees or promptness of service.

Results for different age groups were analyzed, and indicated that a majority of respondents from all age groups were in agreement with the statement, apart from 31 – 40 year old respondents who were tied between 45.5% of respondents agreeing and 45.5% disagreeing with the statement.

Respondents from all income groups agreed with this statement. The highest income bracket (R20 001 – R30 000) had the lowest level of agreement (50% of respondents) and the highest level of disagreement (30% of respondents). Similar to the conclusion in section 5.1.1, this could point to the fact that higher earners value time more than lower earners.

5.2.8 Individual attention to customers

It became apparent from the study that 50% of respondents felt that the clothing retailer pays individual attention to customers, whereas 25.8% felt that they did not. The percentage of respondents who felt that they did not receive sufficient individual attention, was rather high. Hu and Jasper (2006:25-48) found that highly personalised service provision has a positive impact on the consumers' perceptions of store image. Individual attention to customers thus poses an opportunity for large clothing retailers as an area that could be improved.

When the results for different ethnic groups were compared, Blacks were the only ethnic group where a majority of respondents (50%) agreed with the statement, while 40% of Black respondents disagreed with the statement. Amongst the other ethnic groups, a majority of respondents disagreed with the statement. This could mean that Black people have a higher need for individual attention than the other ethnic groups.

A majority of only one age group (60 years and older) agreed with this statement. Results indicate that 50% of respondents in this age group agreed and 25% of respondents in this age group disagreed with the statement. This could mean that older people have a higher need for individual attention.

All income groups disagreed with this statement, with the income group that earned less than R10 000 having the largest percentage of respondents disagreeing (57.9% disagreed compared to 23.7% who agreed). One could assume that the lowest income group is most satisfied and, therefore, needs the lowest amount of individual attention.

5.2.9 Handling of customer complaints

Findings revealed that 59.2% of participants indicated that the clothing retailer is able to handle customer complaints directly, while 16.7% believed that the clothing retailer is not able to handle customer complaints directly.

Respondents from all ethnic groups and all income brackets agreed with the statement. Results of age group 60 years and older were inconclusive with 25% of respondents agreeing and 25% of respondents disagreeing with the statement. In all other age groups, a majority of respondents agreed with the statement. This could mean that the age group 60 years and older does not feel completely satisfied with the way that clothing retailers handle complaints, while all other age groups are satisfied.

5.2.10 Interest in solving customer complaints

The fact that 71.7% of respondents disagreed with the statement that the clothing retailer is uninterested in solving their customers' problems, is indicative that large clothing retailers show an interest in solving their customers' problems. Only 11.7% of all respondents felt that clothing retailers is uninterested in solving their customers' problems.

All ethnic groups felt that the statement is not true. The two ethic groups who had the highest percentage of agreement (20% each), were Blacks and Indians/Asians. This means that a substantial portion of Black and Indian/Asian participants felt that clothing retailers could do more to solve their problems.

A vast majority of respondents in all age groups were in disagreement with the statement. The age group younger than 20 years and 20 – 30 years had the highest percentage of agreement with the statement at 17.2% and 12.1%, respectively. This points out that these age groups are least satisfied.

All income groups were in disagreement with the statement, but R20 001 – R30 000 (highest income bracket recorded among respondents) had the lowest disagreement (50% of this specific income bracket) respondents and the highest agreement rate (20% of this specific income bracket) with the statement. One could conclude that the highest income level demands the highest level of *problem solving* from large clothing retailers.

5.2.11 Convenient parking

Findings indicate that 61.7% of respondents felt that the clothing retailer offers convenient parking. Only a small percentage of respondents (12.5%) felt that the clothing retailer does not offer convenient parking.

Across all ethnic groups, participants were in agreement with the statement. The only ethnic groups who had any disagreement with 14.5% and 10%, respectively, were Whites and Blacks. This could mean that Whites and Blacks use the parking facilities at large retailers most often, and hence have been exposed to unpleasant experiences more than the other ethnic groups have.

When results for different age groups were analyzed, it showed that all age groups were in agreement with the statement, while the age group of 60 years and older had the highest percentage disagreement (25%). One could argue that, generally, older people are less mobile than younger people, and hence experience more difficulty when using the parking facilities at large clothing retailers.

Similarly, all income groups were in agreement with this statement, while zero percent of R20 001 – R30 000 income group disagreed.

5.2.12 Acceptance of credit cards

It was identified that 75.8% of respondents were in disagreement that the clothing retailer does not accept all major credit cards, while a mere 6.6% of respondents agreed with the statement. One can conclude that large clothing retailers are performing satisfactorily in terms of accepting all major credit cards.

A majority of respondents across all ethnic groups disagreed with this statement. The Black and Coloured ethnic groups had no respondents who agreed with the statement, while Whites and Indians/Asians had 10.1% and 20% of respondents, respectively, who agreed with the statement. Results showed that respondents from all age groups were in disagreement with the statement.

Income bracket R20 001 – R30 000 had the highest percentage of disagreement (90% of respondents within this income bracket) with the statement. All the other income groups were also in disagreement with the statement. Respondents within the income bracket R20 001 – R30 000 might have access to, or be in possession of a broader variety of credit cards, and, therefore, experience less problems with their credit cards while shopping.

This section summarised responses from respondents who were asked to rate the service quality at a large clothing retailer by indicating whether they agree or disagree with 12 statements pertaining to retail service quality, as outlined in the RSQS structure. The findings from different ethnic groups, income groups and age groups were also summarised, and provided insightful findings, which the researcher applies in the next chapter. The next section focuses on the five dimensions of service quality.

5.3 Service quality determinants most valued by consumers

This section focuses on the five dimensions of service quality, and explains what aspects and functions within each dimension consumers value the most. The results will enable large clothing retailers to pay specific attention to the identified aspects in order to deliver better service quality to their customers.

5.3.1 Physical aspects

Once results of all respondents were analyzed, clean, attractive and convenient physical facilities proved to be the most important sub-dimension of physical aspects, while *visually appearing materials* appeared to be the least important sub-dimension.

The most important physical aspect for Whites and Coloureds is *clean, attractive and convenient physical facilities*, while the most important physical aspect for Blacks is *practical store layout to easily find what you need*, and the most important physical aspect for Indians/Asians is tied between *modern-looking equipment and fixtures* (which fits in with the finding in section 5.1.5) and *practical store layout to easily find what you need*.

The most important physical aspect for age groups younger than 20, 20 – 30 and 31 – 40 is *clean, attractive and convenient physical facilities*, while age groups 41 – 50 and older than 60 are tied between *clean, attractive and convenient physical facilities* and *practical store layout to easily find what you need*. Age group 51 – 60 find a *practical store layout to easily find what you need* as their most important physical aspect.

Income groups that earn less than R10 000 and between R20 001 – R30 000 identified *clean, attractive and convenient physical facilities* as their most important physical aspect, while income group R10 000 – R20 000 identified *practical store layout* as their most important physical aspect.

5.3.2 Reliability

Findings from the research indicate that the most important sub-dimension of reliability is that merchandise should be readily available. The Competition Tribunal Republic of South Africa (2003) substantiates that players need high stock levels in order to compete in this sector. Respondents indicated that error-free sales transactions are the least important sub-dimension to them.

The most important aspect for Whites is that *merchandise is readily available*. The most important aspect for Blacks and Coloureds is to *perform the service right the first time*, while the most important aspect for Indians/Asians is tied between to *perform the service right the first time* and that the *retailers do what they promise*.

Age group younger than 20 and 31 – 40 found *perform the service right the first time* to be their most important reliability aspect, while the rest of the age groups valued *merchandise that is readily available*, as most important.

To *perform service right the first time* is the most important aspect for the income group that earns less than R10 000 per month, while all other income groups selected *merchandise readily available* as the most important dimension for them.

5.3.3 Personal interaction

When it comes to personal interaction, a majority of respondents felt that *knowledgeable employees capable of answering product-related questions* are most important, whereas *courteous employees* are least important.

All ethnicities chose *knowledgeable employees capable of answering product-related questions* as the most important personal interaction dimension.

Age groups 20 – 30 and older than 60 rated *knowledgeable employees capable of answering product-related questions* as their most important aspect of personal interaction. Respondents in age group 41 – 50 years indicated that *employees give prompt service* are the most important aspect tied with the aforementioned aspect. Respondents in the age groups younger than 20 and 51 – 60 year old rated *customers receive individual attention* as most important, while one age group, namely 31 – 40 years, viewed *courteous employees* as the most important aspect of the personal interaction dimension.

Income groups of less than R10 000 and R10 001 – R20 000 indicated that they value *knowledgeable employees capable of answering product-related questions* as most important, while respondents within the income group R20 001 – R30 000 rated *customers receive individual attention* as most important.

Amongst all the results it can be seen that *knowledgeable employees who is capable of answering product-related questions* is a priority for consumers. This is substantiated by two separate studies by Jones (1999:129-139) and Clopton, Stoddard and Clay (2001:124-139), which found that consumers expect clothing sales assistants to be knowledgeable. Therefore, investing in the right personnel is of utmost importance to clothing retailers.

5.3.4 Problem solving

The ability to handle customer complaints directly and immediately was the most important sub-dimension of *problem solving* for respondents. Respondents felt that the retailers' willingness to handle returns and customers' complaints directly and immediately is least important.

It was indicated by Black respondents that *interest in solving a customer's problem* is most important to them. The two ethnic groups Whites and Coloureds indicated that *ability to handle customer complaints directly and immediately* is the most important aspect of *problem solving* for them. The ethnic group Indians/Asians were tied between both of the abovementioned aspects, which are most important to them.

Age group 51 – 60 rates *willingness to handle returns* as most important. Age group 31 – 40 rates *interest in solving a customer's problem* as most important. All other age groups, except 20 – 30 year olds rated *ability to handle customer complaints directly and immediately* as most important. Respondents within the age group 20 – 30 were tied between *willingness to handle returns* and *ability to handle customer complaints directly and immediately* as most important.

Respondents in the income bracket R20 001 – R30 000 indicated that the most important aspect of *problem solving* is *interest in solving a customer's problem*, while income groups of less than R10 000 and R10 001 – R20 000 rated *ability to handle customer complaints directly and immediately* as most important.

5.3.5 Policy

Findings revealed that high quality merchandise was the most important sub-dimension of policy amongst respondents. An interesting discovery was made when analyzing the results – respondents across all ethnic groups, age groups and income groups rated *the retailer sells high quality merchandise* as most important. This finding is supported by the results of a study, which was conducted by Dickerson (2003:21) who found that the clothing industry finds it increasingly difficult to satisfy consumers because of the fact that consumers' priorities have changed markedly in the last decade. During the eighties, consumers would easily have bought fashionable clothing and were prepared to pay an appreciable amount for a specific brand name, but consumers are now generally more value driven and expect more for what they are prepared to pay. Quality is regarded as one of the main reasons for a consumer's dissatisfaction with clothing products (Fowler & Clodfelter, 2001:57-66). It could be interpreted that high quality merchandise is of absolute importance to satisfy consumers. The least important sub-dimension of policy turned out to be that the *store has its own credit card*.

This section focused on the five dimensions of service quality. It explained what aspects and functions within each dimension consumers value the most. Results were also split on the basis of income group, age group and ethnic group. The next two sections investigate the overall important service quality dimension and service quality determinant, which retailers should improve on, respectively.

5.4 Overall importance of service quality dimensions

Respondents were asked to indicate what service quality dimension is the most important to them overall, taking into consideration all of the aspects that make up each dimension.

Results showed that *reliability* was viewed as the most important, overall, when rating the service quality of the large clothing retailer. Respondents indicated that *policy* was viewed as the least important dimension of service quality.

Indians/Asians rated *physical aspects* as their most important dimension, while *reliability* was most important to Whites, Blacks and Coloureds. *Policy* was least important to all ethnic groups. It could be that policy is considered to be least important because, in general, there seems to be few problems or shortfalls with the policies of large clothing retailers.

Age groups younger than 20 and 31 – 40 indicated that *physical aspects* are most important. Respondents within age group 31 – 40 years indicated that *reliability* was most important, together with age groups 20 – 30, 41 – 50, 51 – 60 and older than 60. All age groups viewed *policy* as least important.

The income group that earns less than R10 000 views *physical aspect* and *reliability* as most important. The income group R10 000 – R20 000 viewed *reliability* as most important, while income group R20 001 – R30 000 was tied between *reliability* and *problem solving* as most important. All income groups indicated that *policy* is least important.

5.5 Service quality determinants retailers should improve on

Respondents indicated that clothing retailers perform worst in *personal interaction*, and best in *physical aspects*.
Results indicated that Indians/Asians felt that large clothing retailers perform worst in the *physical aspects* dimension, Coloureds indicated that retailers perform worst in *reliability*, while Whites and Blacks indicated that retailers perform worst in *personal interaction*. Three ethnic groups, namely Whites, Coloureds and Indians/Asians all rated *physical aspects* as the area where large clothing retailers perform best (fourth worst performance) and Blacks rated *reliability* as the area where large clothing retailers perform best.

Age groups older than 60 indicated that *reliability* is an area where large clothing retailers perform worst. Respondents from age groups 20 – 30, 41 – 50 and 51 – 60 indicated that *personal interaction* is an area where clothing retailers perform worst, while respondents from the age group younger than 20 indicated that *problem solving* is an area where large clothing retailers perform worst. Respondents from age group 31 – 40 chose *personal interaction* and *problem solving* as dimensions where large clothing retailers perform worst.

Age groups younger than 20, 20 – 30 and 51 – 60 indicated that *physical aspects* is the dimension where clothing retailers perform best (fourth worst), while respondents older than 60 years felt that *personal interaction* is the dimension where large clothing retailers perform best. The age group 31 – 40 years was tied between the above-mentioned two dimensions, while the 41 – 50 year age group indicated that *policy* is an area where large clothing retailers perform best.

Income groups in the bracket of R10 001 – R20 000 and R20 001 – R30 000 indicated that *personal interaction* is a dimension where large clothing retailers fare worst, while income groups below R10 000 felt that *problem solving* is an area where they perform worst.

Income groups that earn less than R10 000, and R10 001 – R20 000 indicated that *physical aspects* is a dimension where large clothing retailers perform best, while the income group that earns R20 001 – R30 000 was tied between *physical aspects* and *policy* being areas where large clothing retailers perform best.

In the next section, the findings for account holders are compared to the findings for ad-hoc shoppers.

5.6 Perceptions of service quality of ad-hoc shoppers compared to account holders

From the 120 respondents that were surveyed, 37% of respondents indicated that they have an account at a large clothing retailer, while 63% of respondents indicated that they do not have an account at any large clothing retailer. Through cross tabulation the researcher was able to compare consumer perceptions of service quality amongst ad-hoc shoppers against account holders, and thereby identify whether there are any differences between these two groups in this regard.

5.6.1 Respondents' shopping behaviour

In terms of store choice, Woolworths was indicated to be the most frequented clothing retailer for account holders and non-account holders. The results showed that account holders shop more frequently than ad-hoc shoppers, with 64% of account holders indicating that they shop once every 2 weeks and more, while only 37% of ad-hoc shoppers indicated that they shop once every 2 weeks and more. Only 20% of account holders shop once per month, while 53% of ad-hoc shoppers shop once per month. Even though account holders shop more frequently than ad-hoc shoppers, there is no major difference in the amount of time spent at a clothing store during an average shopping session when the two groups are compared.

5.6.2 Account holders and ad-hoc shoppers' perceptions of service quality

When respondents were asked to indicate their level of agreement with a set list of statements, the responses of account holders were compared to those of ad-hoc shoppers.

5.6.2.1 Service quality of large clothing retailers

A larger percentage of account holders disagreed with the statement that service quality of large clothing retailers is excellent. This could indicate that account holders have higher expectations with regard to service quality. Alternatively, it could be possible that they might have had more exposure to dealing with the retailer, and their experiences might have influenced their perceptions.

5.6.2.2 Importance of service quality

Both account holders and ad-hoc shoppers disagreed with the statement that they regard service quality of the clothing retailer as unimportant. A larger percentage of account holders agreed with this statement (9% of account holders and 5% of ad-hoc shoppers). Account holders, therefore, consider service quality as less important than ad-hoc shoppers.

5.6.2.3 Similarity of merchandise and price versus service quality

When respondents were asked to respond to the statement: If two stores offered similar merchandise at the same price, I would buy at the store that offers better service quality, a larger percentage (23%) of account holders disagreed with the statement when compared to only 10% of ad-hoc shoppers. This could indicate that account holders are more loyal towards the retailers that they shop at, irrespective of the level of service quality that they receive. The fact that they own accounts might have an influence on where they shop.

5.6.2.4 Willingness to pay more at a store that offers better service quality

Both account holders and ad-hoc shoppers agree that they would not be willing to pay more for an item at a store that offers better service quality, but account holders are less likely to pay more for an item at a store that offers better service quality (52% of respondents) when compared to ad-hoc shoppers (42% of respondents). This could once again point towards the loyalty of account holders.

5.6.2.5 Clothing retailer facilities

Account holders and ad-hoc shoppers both indicated that the clothing retailer has attractive facilities. A larger percentage of account holders agreed with this statement (86% compared to 80% of ad-hoc shoppers). Account holders seem to be more content with the appearance of the facilities.

5.6.2.6 Delivery of customer service within agreed time frame

Both groups were in disagreement that the clothing retailer fails to deliver customer service within an agreed time frame. A larger percentage of ad-hoc shoppers disagreed with this statement (54% of ad-hoc shoppers compared to 45% of account holders).

5.6.2.7 Knowledgeable employees and prompt service

The researcher found a similar response when the two groups had to indicate their level of agreement with the statement: the clothing retailer has knowledgeable employees who give prompt service. A majority of respondents from both groups agreed with the statement. The percentage of ad-hoc shoppers who disagreed with this statement was slightly higher than for account holders (25% compared to 23%). No conclusions could be drawn because the difference was not notable.

5.6.2.8 Individual attention to customers

Account holders and ad-hoc shoppers both disagreed with the statement that the clothing retailer does not pay individual attention to customers. Both groups therefore felt that the amount of individual attention that clothing retailers pay to their customers, is sufficient.

5.6.2.9 Handling of customer complaints and interest in solving customer complaints

Account holders and ad-hoc shoppers both agree with the statement that the clothing retailer is able to handle customer complaints directly. A total of 64% of ad-hoc shoppers agreed with this statement, while 50% of account holders agreed with this statement. Similarly, account holders and ad-hoc shoppers both are satisfied with the way that clothing retailers solve their customers' problems.

5.6.2.10 Convenient parking and acceptance of credit cards

Both groups indicated that they are satisfied with the parking facilities that are provided by large clothing retailers, and the credit card facilities that they offer.

5.6.3 Service quality determinants most valued by account holders and ad-hoc shoppers

Respondents were asked to rate the five service quality dimensions from most to least important. Each dimension was broken down to include the elements, which it comprises.

Physical aspects: Account holders and ad-hoc shoppers both regard *clean, attractive and convenient physical facilities* (restrooms/fitting rooms) as the most important physical aspect.

Reliability: Account holders, as well as ad-hoc shoppers regard *the retailer has merchandise available when the customers want it* as the most important aspect of reliability.

Personal interaction: Account holders and ad-hoc shoppers both indicated that *has knowledgeable employees who are capable of answering most product-related questions* is the most important personal interaction aspect.

Problem solving: The results were similar for account holders and ad-hoc shoppers. *Retailer's ability to handle customer complaints directly and immediately* was regarded as the most important aspect of problem solving.

Policy: *The retailer sells high quality merchandise* was regarded as the most important aspect of policy for ad-hoc shoppers, as well as account holders.

5.6.4 Overall importance of service quality dimension for account holders and ad-hoc shoppers

The overall importance of service quality dimensions was compared for account holders and ad-hoc shoppers with regard to importance and where respondents felt that the retailer does not perform satisfactorily. *Reliability* proved to be the most important dimension overall for ad-hoc shoppers, as well as account holders. Account holders and ad-hoc shoppers indicated that *policy* is the least important service quality dimension.

5.6.5 Service quality determinants that retailers should improve on for account holders and ad-hoc shoppers

Account holders indicated that *personal interaction* is an area where retailers do not perform satisfactorily in terms of service quality, whereas ad-hoc shoppers felt that *problem solving* is an area where clothing retailers do not perform satisfactorily. Account holders indicated that *policy* is an area where clothing retailers perform best, while ad-hoc shoppers indicated that *physical aspects* is an area where clothing retailers perform best.

5.7 Summary

This chapter analysed the findings of the study based on the results of all respondents, and included age, ethnicity and income. Account holders were also compared to ad-hoc shoppers. Much was learned about consumer perceptions of service quality, service quality determinants, which are most valued by consumers, and the performance of large clothing retailers. It became evident that a majority of respondents are satisfied with existing service quality that is delivered by large clothing retailers, and that consumers regard service quality as important. It was also identified that consumers would buy at a store that offers better service quality if both stores offered similar merchandise at the same price, but apart from Coloureds and consumers within the age groups 31 – 40 and 60 years and older, consumers will not be willing to pay more for an item at a store that offers better service quality. The study identified that consumers regard clothing retailers' facilities as attractive, and that clothing retailers deliver service within an acceptable time frame. Furthermore, consumers seem to be satisfied with the knowledgeability of employees and the service that they deliver. It became evident that Black consumers and consumers within the age group of 60 years and older indicated that not enough individual attention is paid to them. Consumers across all ethnic groups, income groups and age groups indicated that the clothing retailers show an interest in solving their complaints. Parking facilities and credit card facilities were indicated to be adequate. When results for ad-hoc shoppers were compared to account holders, some interesting differences were identified, but a majority of responses for these two groups corresponded. In the next and final chapter, conclusions are drawn, and recommendations are made, which are based on the findings of the research study.

CHAPTER 6 : CONCLUSIONS AND RECOMMENDATIONS

6.1 Introduction

In an attempt to determine consumer perceptions of service quality of large clothing retailers in the Cape Metropolitan area, several aspects of service quality were explored in this study. Amongst others, these aspects included service quality satisfaction, the overall importance of service quality determinants, areas of non-performance of large clothing retailers, as well as a comparison between account holders and ad-hoc shoppers. Data was also analysed on the basis of ethnic groups, age groups and income groups. Varying results for these different data sets were discussed in the previous chapter. This chapter draws conclusions and makes recommendations based on the analysis of findings from this study.

6.2 Consumer perceptions of service quality

With the aim of determining existing consumer perceptions of service quality concerning large clothing retailers, and to establish, which areas of service quality relating to large clothing retailers require improvement, the following conclusions and recommendations were made.

The study revealed that consumers consider service quality, which is delivered by large clothing retailers to be acceptable. This is in contradiction with a study that was done by Dotson and Patton (1992:15-28) who found strong evidence that many department stores fail to offer desired services. Unsurprisingly, it was found that consumers regard service quality as important. Furthermore, results indicate that consumers will buy at a store that offers better service quality if the store's merchandise and price is the same, but that consumers will not be willing to pay more for an item at a store that offers better service quality, with the exception of Coloureds and consumers within the age group 31 – 40 and 60 years and older.

This study concludes that clothing retailers are perceived to deliver customer service within an agreed time frame and that clothing retailers have an interest to solve customer complaints. Apart from the age group 60 years and older, consumers are satisfied that clothing retailers handle customer complaints directly.

Even though it was discovered that consumers feel that clothing retailers have knowledgeable employees who deliver prompt service, the results for Blacks and consumers within the age group 31 – 40 years were inconclusive. Clopton *et al.* (2001:124-139) found that a knowledgeable sales assistant is perceived as more friendly, honest, and helpful. In general, the feeling was that clothing retailers pay sufficient individual attention to customers, with the exception of Blacks and consumers who fall within the age group of 60 years and older.

The general consensus in terms of convenient parking facilities, the acceptance of all major credit cards, and the attractiveness of the retailer's facilities, was that consumers were satisfied.

Recommendations

Even though consumers consider existing service quality of large clothing retailers as acceptable, the delivery of high quality service remains important. It is recommended that large clothing retailers should continue to provide high levels of service quality, as this will help to ensure their competitive survival. If a clothing retailer is able to provide better service quality than their competitors, they could potentially increase their market share, since consumers will buy at a store that offers better service quality if the store's merchandise and price is the same. A certain percentage of consumers who falls within the age group 31 – 40 and 60 years and older, as well as Coloured consumers will even be willing to pay more for an item that offers better service quality. It is, therefore, advisable that large clothing retailers pay specific attention to service quality if they wish to increase their market share or profits.

High levels of service quality can be maintained by continually measuring consumer satisfaction. Retailers should consider placing mini-questionnaires at till points for customers to complete (if they wish) to identify shortfalls or make recommendations with regard to service quality. This way, the retailer will stay informed of consumer perceptions of service quality, and it gives them an opportunity to improve it.

It is recommended that large clothing retailers should pay more personal attention to consumers within the age group of 60 years and older, as well as Black consumers. As Black consumers constitute a large portion of the South African clothing retailers' customer base, it is of utmost importance to keep this ethnic group satisfied. This could be implemented by advising sales assistants and store employees to provide more support for customers.

6.3 Importance of service quality dimensions

One of the study's objectives was to establish consumer expectations, which relate to service quality of large clothing retailers in terms of service quality determinants. Certain conclusions and recommendations were made in this regard.

6.3.1 Physical aspects

Clean, attractive and convenient physical facilities proved to be the most important sub-dimension of *physical aspects*. According to the researcher's findings, all consumers, apart from Indians/Asians (who felt that *modern-looking equipment and fixtures* and *practical store layout to easily find what you need* to be most important), found either *clean, attractive and convenient physical facilities* or *practical store layout to easily find what you need* as most important.

Recommendations

The researcher recommends that large clothing retailers should ensure that their facilities (inside of shop and fitting rooms) are clean, attractive and convenient. Factors that could contribute towards making facilities conform to the above include:

- The regional manager of a retailer could keep score and reward the store that has the highest score once every year. This will provide motivation to each specific retail store to perform best;
- Retailers should keep up with trends in order to stay abreast of what their customers find attractive; and
- The convenience of a store can be influenced by many factors such as its location within a shopping mall, the reachability of clothing, sufficient lighting inside the store, enough space to move around, and how well facilities have been maintained (such as whether fitting room doors can lock or not, whether there is a bench in the fitting room for customers to put their personal belongings on, and whether there are hooks to hang hangers while trying on clothes).

Specific attention should be paid to the store layout so that it is easy for customers to find what they need. This could be made possible by arranging clothes according to colour, or to group similar items together. Staff should also be encouraged to work efficiently, and to keep isles neat and tidy.

6.3.2 Reliability

Merchandise should be readily available, was indicated as the most important sub-dimension of *reliability*. Results from this study showed that all consumers chose either *merchandise should be readily available* or *perform service right the first time* as the most important aspect, except for Indians/Asians who thought that *perform the service right the first time* and *retailers do what they promise*, was equally most important.

Recommendations

In order to avoid frustration among consumers, large clothing retailers should give priority to ordering sufficient merchandise in all sizes, and to keep stock on hand to replace items that are taken from the shelves when bought. Even though some retailers already make use of it, it is advisable that retailers should invest in an online computer system that enables them to view region-wide merchandise held by any similar chain store.

6.3.3 Personal interaction

Even though results were spread between the different sub-dimensions of *personal interaction*, when data was analyzed on the basis of ethnic group, age group and income group, a vast majority of consumers identified *knowledgeable employees capable of answering product-related questions* as the most important sub-dimension of *personal interaction*. The importance of knowledgeable employees is emphasized in Darian, Tucci and Wiman's (2001:205-213) study in the field of electronic retail stores, which indicates that the product knowledge of sales assistants influences purchase intentions. Furthermore, Beatty, Mayer, Coleman, Reynolds and Lee (1996:223-247) found that the sales assistant should acquire skills such as patience, self-respect, and respect for other individuals, with emphasis on being honest with consumers, as these qualities are important to the consumer.

Recommendation

The researcher recommends that focus should be given to induction programmes, while continuous training of employees should take place. This will assure informed employees, and enable employees to provide knowledgeable answers and advice to customers.

6.3.4 Problem solving

Results for consumers across different ethnic groups, age groups and income groups were spread between the different sub-dimensions of *problem solving*. *The ability to handle customer complaints directly and immediately* was found to be the most important sub-dimension of *problem solving*.

Recommendation

This recommendation is similar to the one provided in section 6.3.3, namely *personal interaction*. It is felt that proper training will enable employees of large clothing retailers to handle customer complaints directly and immediately. This could further be facilitated by investing in advanced systems where complaints can be automatically logged and followed up. A systematic approach should be in place with regard to the way that complaints are handled, and management should ensure that it is applied.

6.3.5 Policy

From the data analysis it was discovered that *high quality merchandise* was the most important sub-dimension of *policy* among consumers.

Recommendation

It is recommended that clothing at large clothing retailers should undergo strict quality testing in order to ensure a consistent, high standard of merchandise. These procedures should be done prior to offering the clothing for sale.

6.4 Overall importance of service quality dimensions

A vast majority of consumers from all ethnicities, age groups and income groups felt that *reliability* is the most important service quality dimension. *Reliability* includes the following sub-dimensions: *when the retailer promises to do something (such as repairs and alterations) by a certain time they will do so; the retailer performs customer services right the first time; the retailer has merchandise available when the customers want it* and *the retailer insists on error-free sales transactions and records*.

Recommendations

It is recommended that protocols and procedures should be implemented and managed at large clothing retailers to ensure precision. Retailers could employ appropriate software, or appoint staff to control these processes. Training is also advisable to educate employees on how to operate these systems effectively and efficiently. Large clothing retailers could implement an “employee of the month” award to inspire staff to perform. Staff should be rewarded financially, or with acknowledgement via internal newsletters.

6.5 Service quality determinants that retailers should improve on

Consumers indicated that clothing retailers perform worst in *personal interaction*. *Personal interaction* includes the following sub-dimensions: *the retailer has knowledgeable employees who are capable of answering most product-related questions; the employees in the store give prompt service to customers; individual attention is paid to customers*; and *employees in the store are consistently courteous with customers*. Many of the above-mentioned sub-dimensions can be influenced positively by sales assistants, as they are normally the first point of contact when a consumer has a problem (Clopton *et al.*, 2001:124-139).

Recommendations

All of the sub-dimensions of *personal interaction* are connected to (or could be controlled by) employees of large clothing retailers. The researcher, therefore, recommends that large clothing retailers should invest in their employees to equip them with the knowledge and skills to deliver high levels of customer service. This could be done through training programs.

6.6 Perceptions of service quality of ad-hoc shoppers compared to account holders

One of the objectives of this study was to compare consumer perceptions of service quality of account holders with ad-hoc shoppers in order to allow the researcher to determine whether there are any differences between these two data sets, and to enable the researcher to draw similarities between the two different groups (if any). Certain conclusions and recommendations were made in this regard.

6.6.1 Account holders and ad-hoc shoppers' perceptions of service quality

Results from the study indicate that although differences do exist in the extent to which account holders and ad-hoc shoppers are satisfied or dissatisfied with service quality, there is no real difference in the perceptions of account holders and ad-hoc shoppers with regards to service quality delivered by large clothing retailers. The shopping behaviour of these two groups differed slightly, since account holders seem to shop more frequently than ad-hoc shoppers. Whether consumers who shop more frequently spend more money than those who shop less frequently is debatable, hence conclusions cannot be drawn.

Recommendation

It is recommended that all customers should be treated correctly, and that sufficient attention should be paid to all customers.

6.6.2 Service quality determinants that are most valued by account holders and ad-hoc shoppers

The study determined that *clean, attractive and convenient physical facilities* are regarded as the most important physical dimension of *physical aspects* for account holders, as well as ad-hoc shoppers. It was also discovered that account holders and ad-hoc shoppers both felt that *the retailer has merchandise available when the customers want it*, is the most important sub-dimension of *reliability.* Furthermore, it would seem that both account holders, as well as ad-hoc shoppers felt that the most important *personal interaction* sub-dimension is that the retailer *has knowledgeable employees capable of answering product-related questions*. This study indicates that account holders, as well as ad-hoc shoppers both identified *retailers' ability to handle customer complaints directly and immediately* as the most important sub-dimension of *problem solving* and that account holders and ad-hoc shoppers indicated that the most import sub-dimension of *policy* is that *the retailer sells high quality merchandise*. There is, therefore, no difference in the results for account holders and ad-hoc shoppers.

Recommendation

Once again it is recommended that all customers should be treated equally, and that no distinction should be made between any group of customers.

6.6.3 Overall importance of service quality dimension for account holders and ad-hoc shoppers

This study found that *reliability* is the most important service quality dimension for account holders, while *policy* is the most important service quality dimension for ad-hoc shoppers. *Reliability* includes the following sub-dimensions: *when the retailer promises to do something (such as repairs and alterations) by a certain time they will do so; the retailer performs customer services right the first time; the retailer has merchandise available when the customers want it* and *the retailer insists on error-free sales transactions and records*. *Policy* includes the following sub-dimensions: *the retailer sells high quality merchandise; convenient parking facilities and operating hours; the store accepts all major credit cards* and *the store has its own credit card*. *Reliability* involves service elements, while *policy* involves physical elements.

Recommendations

Similar to section 6.4, in order to improve *reliability*, it is recommended that protocols and procedures should be implemented and managed at large clothing retailers to ensure precision. This could be helped by using the appropriate software, or by appointing additional staff. In order to improve *policy*, it is advised that retailers should ensure high quality clothing by implementing quality control procedures, and by making sure that they import or buy merchandise from trustworthy sources. Parking is normally not determined by the clothing store, but clothing stores should choose strategic locations, and convenient parking facilities should be considered prior to opening a new store. It is recommended that the stores should ensure that they provide facilities, which will enable them to accept all major credit cards.

6.6.4 Service quality determinants that retailers should improve on for account holders and ad-hoc shoppers

Through the results of this study it was identified that account holders felt that clothing retailers should improve in *personal interaction*, while ad-hoc shoppers felt that retailers should improve *problem solving*. *Personal interaction* includes the following sub-dimensions: *the retailer has knowledgeable employees who are capable of answering most product-related questions; the employees in the store give prompt service to customers; individual attention is paid to customers*; and *employees in the store are consistently courteous with customers*. *Problem solving* includes the following sub-dimensions: *retailer's willingness to handle returns; retailer's willingness to handle exchanges; retailer's sincere interest in solving a customer's problem*; and *retailer's ability to handle customer complaints directly and immediately*.

Recommendations

Similar to section 6.5, in order to improve *personal interaction*, the researcher recommends that large clothing retailers should invest in their employees to equip them with knowledge and skills to deliver high levels of customer service. This could be done through training programs. In order to improve *problem solving*, it is recommended that retailers should relook their policies with regard to returns and exchanges, and to ensure that procedures are in place to enable these processes to take place seamlessly. In order to solve customers' problems and handle complaints directly and immediately, the retailer needs a well-trained support department. This may mean that the retailer should employ additional people.

6.7 Conclusion

Service quality has become a significant subject as a result of increasingly demanding consumers. The provision of service quality has many benefits for an organization, one of which is that it can create a competitive advantage in a highly competitive industry. Even though it became evident that consumers are satisfied with existing levels of service quality delivered by large clothing retailers within the Cape Metropolitan area, it should remain an aspect that retailers should continuously focus on in order to stay competitive.

The study shows that consumers value the following sub-dimensions of service quality the most, and that they expect retailers to focus on these in order to keep them satisfied:

- Clean, attractive and convenient physical facilities;
- Merchandise that is readily available;
- Knowledgeable employees who are capable of answering product-related questions;
- The ability to handle customer complaints directly and immediately; and
- High quality merchandise.

Consumers believe that *reliability* is the most important service quality dimension. *Reliability* includes the following sub-dimensions:

- When the retailer promises to do something by a certain time, they will do so;
- The retailer performs customer services right the first time;
- The retailer has merchandise available when customers want it; and
- The retailer insists on error-free sales transactions and records.

The area of service quality where large clothing retailers perform worst in and that requires improvement, was identified as *personal interaction*. *Personal interaction* includes the following sub-dimensions:

- The store has knowledgeable employees who are capable of answering most product-related questions;
- The employees in the store give prompt service to customers;
- Individual attention is paid to customers; and
- Employees in the store are consistently courteous towards customers.

When consumer perceptions of service quality amongst ad hoc shoppers were compared to consumers who have accounts, the outcome was as follows: even though there were differences in the extent to which account holders and ad-hoc shoppers agreed or disagreed with aspects regarding service quality, there was no major difference between these two groups in terms of consumer perceptions. The shopping behaviours of these two groups differ slightly, since account holders shop more frequently than ad-hoc shoppers. These two groups also had different opinions regarding service quality dimensions that they consider as most important and, which service quality dimension clothing retailers perform worst at. While account holders felt that *reliability* is the most important service quality dimension, ad-hoc shoppers felt that *policy* is the most important. Account holders felt that clothing retailers perform worst in *personal interaction*, while ad-hoc shoppers felt that clothing retailers perform worst in *problem solving.*

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APPENDIX A: ETHICAL CLEARANCE CERTIFICATE

Cape Peninsula
University of Technology

Cape Peninsula University of Technology
Faculty of Business Research Ethics Committee

Members present:
Prof S Davies, Prof Slabbert, Prof Swart, Dr Steyn, Ms Augustyn, Dr West, and Mr Mvalo, F Salie (Secretariat)

Venue: Boardroom, Faculty of Business, Cape Town Campus
Date: Wednesday 29 September 2010

Please note that applications to the Faculty of Business Research Ethics Committee (FBREC) must include a full research proposal (that has been approved by the supervisor) that includes a section on the ethical issues involved in the study; along with necessary supportive documentation.

Student:	KEEVY, Marelize (203016297)
Supervisor:	Ms Diane Bell
Level:	MTech: Marketing Management
Title:	Consumer Perception of Service Quality of Large Clothing Retailers in the Cape Metropolitan Area

Decision of committee: The Faculty of Business Research Ethics Committee (FBREC) has **approved** the submission and make the recommendation that it be forwarded to Faculty of Business Research Committee (FBRC).

S Davies

Prof S Davies
Chairperson: Faculty of Business Research Ethics Committee
29 September 2010

Faculty of Business Ethics Committee: 2010 September
Prof S Davies email: daviess@cput.ac.za Tel: 021 680 1575 Fax 021 680 1562

APPENDIX B: RESEARCH QUESTIONNAIRE

Questionnaire – Service Quality of Large Clothing Retailers

Your answers will be treated confidentially and your identity will be kept completely anonymous as you are not required to provide any personal information.

For the purpose of this questionnaire, service quality is defined as your judgment or evaluation relating to the overall excellence or superiority of the service delivered by large clothing retailers.

Instructions: Answer ALL questions. Mark the applicable box with an "X".

1. Do you have an account at a large clothing retailer?

Yes		No	

2. Which one of the below-mentioned clothing retailers do you frequent (shop at) most often? (indicate only **ONE**)

Woolworths		Edgars		Foschini	

3. How frequently do you shop at the abovementioned clothing retailer store?

Daily		Two to three times per week		Once per week	
Once every two weeks		Once every three weeks		Once per month	

4. How many hours do you generally spend at the abovementioned clothing retail store during an average shopping session?

Less than 1 hour		1 hour		2 hours	
3 hours		More than 3 hours			

5. Please indicate your level of agreement or disagreement, regarding service quality at the above-mentioned large clothing retailer you shop at most often. For each of the statements below mark with an "X" in the appropriate box.

	Strongly Disagree	Disagree	Neither Agree nor Disagree	Agree	Strongly Agree
Service quality of the large clothing retailer is excellent.					
I regard service quality of the clothing retailer as unimportant.					
If two stores offered similar merchandise at the same price, I would buy at the store that offers better service quality.					
I would **NOT** be willing to pay more for an item at a store that offers better service quality.					
In general, the clothing retailer has attractive facilities (refer to question 6: Physical Aspects).					
The clothing retailer fails to deliver customer service within the agreed time frame.					
The clothing retailer has knowledgeable employees who give prompt service.					
The clothing retailer does **NOT** pay individual attention to customers.					
The clothing retailer is able to handle customer complaints directly.					
The clothing retailer is uninterested in solving their customers' problems.					
In general, the clothing retailer offers convenient parking.					
The clothing retailer does **NOT** accept all major credit cards.					

6. Please rate the service quality of the clothing retailer you shop at most often for **EACH** of the following dimensions from most to least important (with "1" being most important, "2" being the second most important, "3" being third most important and so forth):

Dimension 1: Physical Aspects	
Modern-looking equipment and fixtures	
Visually appealing materials (shopping bags/loyalty cards/catalogues)	
Clean, attractive and convenient physical facilities (restrooms/fitting rooms)	
Practical store layout to easily find what you need	
Dimension 2: Reliability	
When the retailer promises to do something (such as repairs, alterations) by a certain time, they will do so	
The retailer performs customer services right the first time	
The retailer has merchandise available when the customers want it	
The retailer insists on error-free sales transactions and records	
Dimension 3: Personal Interaction	
Has knowledgeable employees who are capable of answering most product-related questions	

The employees in the store give prompt service to customers	
Individual attention is paid to customers	
Employees in the store are consistently courteous with customers	
Dimension 4: Problem Solving	
Retailer's willingness to handle returns	
Retailer's willingness to handle exchanges	
Retailer's sincere interest in solving a customer's problem	
Retailer's ability to handle customer complaints directly and immediately	
Dimension 5: Policy	
The retailer sells high quality merchandise	
Convenient parking facilities and operating hours	
The store accepts all major credit cards	
The store has its own credit card	

7. Which of the above-mentioned dimensions do you consider to be the most important overall when rating the service quality of the large clothing retailer? Please rate the following dimensions from most to least important (with "1" being most important, "2" being the second most important, "3" being third most important and so forth):

Physical Aspects	
Reliability	
Personal Interaction	
Problem Solving	
Policy	

Please provide a reason for your highest rank (most important): ____

____

Please provide a reason for your lowest rank (least important): ____

____

8. In which areas, in your opinion, does the large clothing retailer **NOT** perform satisfactorily in terms of service quality? Please rate the following items from worst to best performance (with "1" being where they perform the worst and "5" being where they perform the best):

Physical Aspects	
Reliability	
Personal Interaction	
Problem Solving	
Policy	

Please provide a reason for your highest rank (worst performance): ____

____

Please provide a reason for your lowest rank (best performance): ____

____

Ethnic group:

White		Black	
Coloured		Indian / Asian	

Age:

<20		20 – 30		31 – 40	
41 – 50		51 – 60		>60	

Monthly Income:

<R10 000		R10 000 – R20 000		R20 001 – R30 000	
R30 001 – R40 000		>R40 000			

Thank you for your time and participation!

APPENDIX C: PERMISSION LETTER

CAPE PENINSULA UNIVERSITY OF TECHNOLOGY
CONSENT TO PARTICIPATE IN RESEARCH

Dear Sir/Madam,

I am a master's degree student at the Cape Peninsula University of Technology in Cape Town. A dissertation has to be submitted in partial fulfilment of the degree. The topic I chose for my dissertation is: Consumer perceptions of service quality of large clothing retailers in the Cape Metropolitan area, and the purpose of the study is to identify areas of service quality of large clothing retailers that require improvement, as well as to establish consumer expectations of service quality.

The research will assist clothing retailers to formulate strategies to minimise the gap between services delivered by them, and service quality that is expected by consumers. These strategies will support clothing retailers to achieve a competitive advantage through the use of service quality.

I wish to solicit your permission to carry out this research study, which will entail gathering information from a few respondents through the completion of a questionnaire. The information supplied will be treated confidentially and participants will not be required to reveal their identity or contact details.

For further inquiries, you may contact my supervisor, Diane Bell on 021-959 6800 or 021-460 8039.

SIGNATURE OF RESEARCH PARTICIPANTS

I have gone through the above information and I am satisfied with the terms and conditions. I hereby voluntarily consent to participate in this study.

Name of participant

Signature of participant/Date

SIGNATURE OF RESEARCHER

I declare that I have explained the above information contained in this document to ----------------- -------------------------------. The participant was allowed to ask any question pertaining to the area of study.

Signature of researcher/Date