



North Carolina Cooperative Extension Service

NORTH CAROLINA STATE UNIVERSITY
COLLEGE OF AGRICULTURE & LIFE SCIENCES



ECONOMIST

Agricultural and Resource Economics

November/December 1998

SERVICE IS CRITICAL: Garden Center Industry Survey

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Introduction

Garden center consumer studies indicate customer loyalty and repeat business result from a convenient store location, plant quality, customer service, and plant selection. While garden center managers can evaluate most of these factors, customer service is frequently intangible and difficult to measure. However, as the gap between the quality and array of plants offered for sale at retail outlets narrows, service becomes more important in differentiating and choosing among garden centers. This is the first service quality survey for the Garden Center Industry and quantifies the quality of services customers received from their respective garden center.

Methodology

In the spring of 1997, a traditional independent garden center and the garden center of a mass-merchandise in Raleigh, North Carolina distributed a three-page questionnaire and a postage-free envelope to return the completed survey to researchers. Of the 388 questionnaires distributed at the independent garden center, 73 were completed and returned. The mass-merchandise distributed 425 questionnaires, and 75 were returned.

One section of the questionnaire listed features associated with a garden center's appearance, service and quality of the products sold. Respondents distributed 100 points between categories according to how important each trait was to them. The more significant the feature, the more points were allocated to that characteristic.

Results

The garden center attributes customers ranked included plant quality, employee knowledge, prompt and dependable customer service, personalized attention, product quality, and facility appearance. Independent garden center customers ranked plant quality as the most important feature (average rating of 30.8 out of 100 possible points) while the quality of other products sold in the store scored next to last. Mass-merchandise customers, however, ranked the quality of other products as the most important feature (average rating of 26.0 points) and plant quality as the least important characteristic (average rating of 10.1 points).

Among other characteristics, independent garden center customers ranked knowledgeable and courteous employees as the second most important service feature (average rating of 16.4 points) while helpful and prompt customer service was third. Dependable service, caring and individualized customer attention ranked fourth and fifth. The appearance of the garden center displays, buildings, personnel and signs was the least important feature with 8.1 points.

Although the ratings were not substantially different, the mass-merchandise customers rated dependable service and helpful and prompt customer service second and third, respectively. Appearance of displays, building, personnel and signs was the fourth most important factor with 12.9 points; caring and

Summary - Customer Perceptions of Service and Product Quality Attributes for Participating Garden Centers

Group of Attributes	Independent Garden Center	Mass Merchandise Garden Center
Tangibles	Satisfied	Somewhat Satisfied
Reliability	Satisfied	Disappointed
Responsiveness	Satisfied	Disappointed
Assurance	Satisfied	Disappointed
Empathy	Satisfied	Disappointed
Quality	Somewhat Satisfied	Disappointed

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individualized customer attention ranked fifth (average of 11.1 points); knowledgeable and courteous employees was sixth.

Customers also compared thirty variables that measured the service they expected to receive to the services they felt they actually experienced at the garden center. Divided into three columns, the *E* or *expected* column indicated the quality of the service customers expected from their ideal garden center while the *P* or *perceived* column indicated the quality of the service they felt they actually received. The *G* or *gap* column was the difference between the expected and perceived scores. A positive number in this column indicated the garden center exceeded consumer expectations, while a negative number meant the garden center fell short of consumer expectations.

The first four of the thirty variables tested the *tangible* dimension of the garden centers, such as the appearance of the facilities, the signage and the employees. When evaluating these factors, the mass-merchandise customers generally had higher expectations and experienced greater disappointments than the independent garden center customers. The largest gap recorded by the mass-merchandise customers was the appearance of the printed material (gap of -1.2) and the store facilities (gap of -1.0). The appearance of the employees and the store facilities was closer to consumer expectations with gaps of -0.5 and -0.3. The independent garden center, on the other hand, exceeded customer expectations on modern looking facilities but slightly missed customer expectations for neat-appearing employees. Customer expectations on the remaining two variables, visually appealing facilities and visually appealing printed material, had a gap of -0.3.

Variables five through nine surveyed the *reliability* dimension of the garden centers. The gap recorded for the independent garden center was -0.5 or less for all of the items in this category except for performs services on time, which had a gap of -0.6. The mass-merchandise severely missed customer expectations on all the items in this category. Four of the five variables had a gap of -1.0 or better while the fifth variable, the garden center fulfills its promises, had a gap of -0.8.

The next four items measured *responsiveness* of the garden centers. Again, the independent garden center slightly missed its customer's expectations with every variable in this category recording a gap of -0.5 or less, while the mass-merchandise severely missed its customer's expectations on every variable. A gap of -1.2 was recorded for customers being told exactly what services would be performed, prompt customer service and employees too busy to help customers. The fourth variable, employees willing to help customers, had a gap of -1.3.

Items fourteen through seventeen surveyed the *service* dimension of the garden centers. The independent garden center slightly missed customers' expectations on each of these items with gaps of -0.3 and -0.4. Mass-merchandise customers not only had lower expectations, they also registered greater disappointment in their perception of the service they received. The greatest shortcoming these customers expressed related to employee knowledge (a gap of -1.7). This was the second largest gap of all the thirty variables included in this survey. A lack of confidence in the employees and the employees not reinforcing the customer's purchase decision were the second and third greatest shortcomings among these variables with gaps of -1.4 and -1.1, respectively.

Questions eighteen through twenty-two measured the service *empathy* dimension of the garden centers. Again, the mass-merchandise customers had lower expectations but registered greater disappointment in their perception of the service they received. The perception was that the employees did not understand the customers' needs, customers did not receive personal or individual attention, and that the employees did not have the customers' best interest at heart. The only variable that did meet consumers' expectation in the mass-merchandise center was the store had convenient operating hours. The independent garden center, on the other hand, also missed its customers' expectations on all of the items in this category but the gaps were considerably smaller for most of these factors. Similar to the mass merchandisers, these consumers felt this garden center's greatest shortcoming was that the employees did not understand the customers' specific needs.

The last eight variables measured the *quality* of the garden center products. Seven of the variables in this category had gaps of -0.6 or less among the independent garden center customers while clearly marked plant prices had a gap of -1.0. In contrast, the mass-merchandise severely missed its customers expectations on every item in this category with all but one of the gaps equal to or greater than -1.0. These consumers were disappointed that the store did not offer a custom design landscape service. They were also displeased in the method used to mark plant prices and in the health of the plants offered for sale in the garden center.

Independent garden center customers were generally satisfied with the service they experienced while mass-merchandise customers were usually disappointed. The only exceptions were that consumers were somewhat satisfied with the quality attributes at the independent garden center and with the tangible attributes at the mass merchandiser.

Independent Garden Center and Mass-Merchandiser Service and Product Quality Attributes Compared to Customer Expectation of an Ideal Garden Center.

Indendent Garden Center Customers			Variable	Mass Merchandiser Customers		
E ^a	P ^b	G ^c		E ^a	P ^b	G ^c
3.6	3.7	+0.1	1. Modern looking facilities	3.7	3.4	-0.3
4.4	4.1	-0.3	2. Visually appealing facilities	4.4	3.4	-0.1
4.1	4.0	-0.1	3. Neat appearing employees	4.2	3.7	-0.5
4.0	3.7	-0.3	4. Printed material is visually appealing	4.1	2.9	-1.2
4.7	4.0	-0.5	5. Fulfills promises	4.5	3.7	-0.8
4.8	4.4	-0.4	6. Shows sincerity in helping customers	4.6	3.4	-1.2
4.7	4.2	-0.5	7. Performs services right the first time	4.6	3.4	-1.2
4.6	4.0	-0.6	8. Performs services on time	4.6	3.5	-1.0
4.6	4.2	-0.4	9. Error-free prices, orders and bills	4.6	3.5	-1.1
4.5	4.2	-0.5	10. Customers are told exactly what services will be performed	4.4	3.2	-1.2
4.7	4.2	-0.4	11. Customers received prompt service	4.5	3.3	-1.2
4.8	4.4	-0.4	12. Employees are willing to help customers	4.6	3.3	-1.3
4.6	4.1	-0.5	13. Employees are never too busy to help	4.4	3.2	-1.2
4.6	4.2	-0.4	14. Employees instill confidence in customers	4.4	3.0	-1.4
4.4	4.1	-0.3	15. Customer purchase decisioin is reinforced	4.3	3.2	-1.1
4.7	4.4	-0.3	16. Employees are courteous	4.6	3.7	-0.9
4.8	4.4	-0.4	17. Employees are knowledgeable	4.6	2.9	-1.7
4.7	4.3	-0.4	18. Customers receive individual attention	4.5	3.1	-1.4
4.7	4.4	-0.3	19. Store has convenient operating hours	4.5	4.5	0.0
4.7	4.4	-0.3	20. Customers receive personal attention	4.5	3.0	-1.5
4.7	4.2	-0.5	21. Garden center has the customer's best interest at heart	4.4	3.1	-1.3
4.6	4.0	-0.6	22. Employees understand customer's needs	4.5	2.9	-1.6
4.8	4.2	-0.6	23. Garden center only sells the healthiest plants	4.7	3.2	-1.5
4.5	4.0	-0.5	24. Garden center guarantees its plants	4.6	3.5	-1.1
4.8	4.5	-0.3	25. Garden center stocks many different plants	4.7	3.7	-1.0
4.7	4.5	-0.2	26. Garden center has a wide variety of plants	4.7	3.6	-1.1
4.7	4.1	-0.6	27. Garden center clearly labels its plants with the correct name	4.6	3.3	-1.3
4.8	3.8	-1.0	28. Garden center clearly marks plant prices	4.5	2.9	-1.6
4.0	3.5	-0.5	29. Garden center will custom-design landscape to specifications	4.2	2.4	-1.8
4.7	4.2	-0.5	30. Garden center makes buying plants easy	4.6	3.8	-0.8
			^a E (customers expectation from their ideal garden center).			
			^b P(Perception of service received at garden center where questionnaire obtained).			
			^c G(Difference between customer expectation and service they actually received).			

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Bill Wilder, Editor, *Nursery Notes*.

Summary and Conclusions

Overall, mass-merchandise customers expected less and were disappointed more with the quality of the services and products relative to the independent garden center customers. If this finding holds true for the entire industry, independent garden centers have a competitive advantage with those customers who want good quality plants and service. Conversely, mass-merchandisers need to make improvements in these areas to increase their market share.

While consumers indicated the independent garden center had the healthiest and best selection of plants, they also pointed out that both businesses could make significant improvements in the methods they used to label plants and display prices. A minimum effort would reduce these service-quality gaps.

Finally, over half of the thirty variables dealt with a comparison of expectation to perceptions concerning appearance, knowledge and professionalism of the staff employed at each garden center. Results indicate that this

is a major source of consumer dissatisfaction, especially among mass-merchandise customers. The impact employees have on the success or failure of the business is singularly important. A courteous, knowledgeable and well-trained staff gives a garden center a competitive advantage and will enhance its image of being a professionally run business capable of satisfying the customers' needs and answering their questions.

N.C. State Economist
Published bi-monthly by the Dept. of
Agricultural and Resource Economics
and the Coop. Ext Serv.
Address correspondence to:
The Editor, N.C. State Economist
Box 8109, N.C. State University
Raleigh, NC 27695

The N.C. State Economist is now on-line at:
http://www2.ncsu.edu/ncsu/cals/ag_rec/virtual_library.html

Published by
North Carolina Cooperative Extension Service

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COOPERATIVE EXTENSION SERVICE
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