

## **Break Time! Not Checkout Time!**

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Sally and Tom were hunting for a brand of bar soap, a popular brand from the past which appears to have disappeared from the market. After visiting a number of stores (e.g., drugstores, department stores, cosmetic stores), our shoppers decided to visit a national general merchandise store (GMS) that they knew carried bar soap and other health and beauty products (i.e., HBA's). Sally and Tom very seldom shop at this chain.

Sally and Tom's search for the desired product was unsuccessful, however, while in the store, Sally came across a blended-juice product that she usually buys at the supermarket. While the GMS had the leading manufacturer's brand of this product on display, the store also carried its own brand of the product, a brand of which Sally was not previously aware. The labels on the two products indicated that the contents of the two brands were identical and that the quantities were the same (1.89 litres). The manufacturer's brand was on sale for \$3.49 versus the regular price of \$3.99; the store brand retailed for its regular price of \$2.99. Since Sally and Tom believed that the two products were the same, except for price, they decided to select one bottle of the store brand to try, just in case the product did not have an acceptable taste.

Sally and Tom then headed for the centralized checkout area of the store. There were three checkout lanes in this area. The first lane had the "Open" sign lit, but there was no cashier. The third lane had the "Open" open sign lit, but there were a couple of customers in line. The middle lane, did not have the "Open" sign lit but there was a customer being served. Sally and Tom entered the second lane, standing immediately behind the customer being served and patiently waiting for their turn

It was now their turn. The cashier immediately told Sally and Tom to take their purchases to the third lane, which at this time had two customers in line. Tom told the cashier in the second lane that you never abandon a customer waiting in line. The cashier's response was that she knows what she is doing because she had been trained. Tom asked to see the manager. After the cashier called the manager on the phone, she left the area, leaving Sally and Tom all alone. By this time, the cashier in the first lane returned and started serving customers. Tom decided to abandon making a purchase while he waited for the manager.

When the manager arrived, Tom explained the details of what had transpired, particularly repeating what you never leave a customer standing in line. The manager understood the situation and apologized for what happened and indicated that the cashier will have to go back into training. She also indicated that, given the current economic times, retailers need to do what they can do to attract and keep customers. The manager then asked Tom if there was anything else she could do. Tom replied in the negative and indicated that he was going directly to the supermarket in the same mall

to purchase the juice that he intended to buy, an item that had become an unplanned purchase in the original store. Tom also indicated that he would be filing a formal, online complaint to head office about the event. He told the manager this so that she would be knowledgeable of the situation in the event that head office contact her.

When Sally and Tom arrived at the supermarket, they found the store brand of the same product category was on sale for \$2.49, down from the regular price of \$2.99 for the same contents and quantity as the product available at the GMS. Sally and Tom bought two bottles of the product, along with other groceries.

When Tom got home, he filed a formal, online complaint with the head office of the GMS. Two days later, received a response from the corporate office. Within one day, Tom got a reply from the GMS apologizing for the inappropriate customer service that he received. The GMS respondent requested additional contact information from Tom so that the store manager could contact him directly. Tom replied immediately, thanking the respondent for the quick response to his concerns, but he indicated that no further discussion on the matter was necessary since he had already presented his concerns to the MOD at the time of his visit and in his email to head office.

**Focus:** Customer service (including store response to customer complaints), manufacturer's brand, store (dealer brand), inter-type horizontal competition, impulse and unplanned purchases, adoption process, consideration set of stores and brands, evoked set (latitude of acceptance), inert set (latitude of noncommitment), inept set (latitude of rejection), marketing orientation vs. production orientation.

### Questions:

1. Define each of the concepts identified above and explain how each applies to the situation described in the case.
2. Do you think that the cashier was correct in asking Tom to move to another checkout lane, if not, how should the cashier have dealt with this customer? In either case, explain the reasoning underlying your answer.
3. Do you think the cashier responded correctly when Tom told the cashier that "you should never abandon a customer waiting in line"? Explain.
3. Do you think that Tom responded appropriately when told by the cashier to take his purchase to another checkout lane? Explain.
4. Do you think the MOD responded correctly to Tom's concerns?

5. Do you think that Tom was correct in filing a complaint with head office? Explain.
6. Do you think that head office responded correctly and in a timely fashion to Tom's complaint?
7. Read the article listed below. Based on this article evaluate the nature of the response to Tom by head office? Based on this article, did head office respond correctly? Based on the response of head office, what is the likelihood of Tom revisiting this store in the future? Explain.

See Gary I. Clark, Peter F. Kaminski, and David R. Rink. (1992). "Consumer Complaints: Advice on How Companies Should Respond Based on an Empirical Study," *Journal of Services Marketing*, 6(Winter), 41-50.