

**Monday 21 May 2012 – Morning**

**AS GCE APPLIED BUSINESS**

**F243/01/CS** The Impact of Customer Service

**CASE STUDY**

**Duration:** 1 hour 30 minutes



**INFORMATION FOR CANDIDATES**

- This is a clean copy of the Case Study which you should already have seen.
- You should refer to it when answering the examination questions which are printed in a separate booklet.
- You may **not** take your previous copy of the Case Study into the examination.
- You may **not** take notes into the examination.
- This document consists of **4** pages. Any blank pages are indicated.

**INSTRUCTION TO EXAMS OFFICER/INVIGILATOR**

- Do not send this Case Study for marking; it should be retained in the centre or destroyed. Please contact OCR Copyright should you wish to re-use this document.

## Shopper's Local

### Background

*Shopper's Local* is a family run retail business based in a large town near Norwich. The business is a chain of five small convenience stores located on, or near, residential housing estates. The majority of customers are families living nearby. Each store sells an identical range of products including milk, bread, fruit and vegetables; as well as newspapers, greetings cards and some stationery items. Tom Royston has recently taken over the running of the family business from his father who has retired. Before taking over the business Tom was one of the store managers. Tom enjoyed the freedom his father gave him, and all of the other store managers, in the way in which the individual stores were run. As long as minimum targets were met, the managers could make individual decisions about, for example, which staff they employed and opening hours.

5

Tom's father had not taken a great deal of interest in the business during the previous two years and consequently customer service standards had fallen. Tom had often had heated arguments with his father about the standard of customer service, and sometimes these arguments had even taken place in front of customers. Tom is much more ambitious than his father and wants to make the business more of a success. Tom realises that if he is to succeed in his plans he will need to set himself, and the business, some goals. He also recognises that he will need to involve all of his staff and customers in order to help him improve the situation.

10

15

Tom decided he would carry out some research by visiting the staff at each store, followed by a meeting with all of the store managers.

### The visits

Tom visited each of the stores for two days in which to meet all the staff properly and to get to know what was being done well and what needed to improve. Some of the stores appeared to be doing reasonably well, but there were a lot of inconsistencies. Some of the staff were very good at their job. They knew all the procedures and how to use the till. They were also very good at communicating with their customers. In these stores profits were very good. However, in two of the stores things were very different and sales were low. For example, the staff were not very polite to customers and the managers had to keep reminding some staff how to use the till and how to check-in deliveries properly. Tom also noticed that the most successful stores were always clean and tidy in comparison with the least successful ones.

20

25

### The meeting

After his visits Tom gathered together all the store managers, including Sanchia, who had replaced Tom as a store manager when he took over the business. Tom had recruited Sanchia because she had previously worked for a large national retailer. Sanchia was returning to work now that her children had gone to school. Tom hoped that she could use her experience to help revive *Shopper's Local*.

30

At the meeting Tom decided to let all the managers have their say first. Peter, who manages one of the more successful stores, could not see what all the fuss was about. "My store is doing well so why should I care what happens in other stores", said Peter. In fact, Peter thought it would be a good idea if his wages went up now that he knew some store managers were not as good as him, but were being paid the same. Chandra, who manages a store which is not as successful as Peter's, said, "Peter is just lucky to have staff who know what they are doing. It would be different if Peter managed my store."

35

Whilst Tracey's store was doing reasonably well, her concern was with the transfer of stock from one store to another. Quite often she would receive transfers without the correct paperwork and, sometimes, stock which was out of date. She pointed out that this meant that her store's profits would be lower because she had to cover the cost of the out of date stock when it was put in the bin. Another manager, Susan, agreed with Tracey's comments and added that: "When I've had to stand in for other managers, I've noticed that there appeared to be different rules for each store. In some stores the usual manager does not mind if staff turn up a few minutes late or if they close the store early if it's not busy. That can't be right!" 40 45

Tom then asked Sanchia for her views. After a moment's thought Sanchia suggested that there was a lot of inconsistency in the way in which the stores are run. She thought that the managers, perhaps, had different standards or had been recruiting inexperienced people. Sanchia thought that some managers were not committed to their job and did not, for example, supervise their staff properly, or make sure that health and hygiene standards were being complied with. She also thought it would be a good idea to find out what customers think about *Shopper's Local* and that Tom should consider a code of practice which should be available for all staff and customers to see. 50 55

### Decisions

As the meeting came to an end, Tom announced that he wanted to make the customer service standards so high that *Shopper's Local* could win the 'Best Customer Service Award' next year. However, he told his managers that he was also afraid that one of the stores could get some bad publicity if customers complained, and, therefore, wanted to make sure this did not happen.

Tom asked his managers to go back to their stores and to think about how customer service standards could be improved. He also asked them to get some feedback from their customers about a number of issues, including customer service levels and the range of products. Customer feedback is something which Tom wants his managers to take seriously. 60

Tom and the store managers would meet again in one month's time to discuss the findings from the research. In the meantime, Sanchia sent Tom a memo with some additional suggestions (see Appendix 1). 65

## Appendix 1

**MEMO**

**To:** Tom  
**From:** Sanchia  
**Date:** 7 March 2012  
**Subject:** Additional suggestions

Hi Tom

I have been thinking about some initiatives which could improve our level of customer service and I have listed them below:

- introduce a new range of organic products;
- provide re-cycling facilities;
- provide baby changing facilities;
- install a cash machine;
- improve customer parking facilities;
- introduce customer loyalty cards;
- provide a charity collection point.

Please let me know if you wish to discuss any of the suggestions in detail.

Regards

Sanchia

**Copyright Information**

OCR is committed to seeking permission to reproduce all third-party content that it uses in its assessment materials. OCR has attempted to identify and contact all copyright holders whose work is used in this paper. To avoid the issue of disclosure of answer-related information to candidates, all copyright acknowledgements are reproduced in the OCR Copyright Acknowledgements Booklet. This is produced for each series of examinations and is freely available to download from our public website ([www.ocr.org.uk](http://www.ocr.org.uk)) after the live examination series.

If OCR has unwittingly failed to correctly acknowledge or clear any third-party content in this assessment material, OCR will be happy to correct its mistake at the earliest possible opportunity.

For queries or further information please contact the Copyright Team, First Floor, 9 Hills Road, Cambridge CB2 1GE.

OCR is part of the Cambridge Assessment Group; Cambridge Assessment is the brand name of University of Cambridge Local Examinations Syndicate (UCLES), which is itself a department of the University of Cambridge.